

# George Municipality

## Budget 2011/12 to 2013/14

Medium Term Revenue and  
Expenditure Framework

**May 2011**



## Table of Contents

<b>GLOSSARY.....</b>	<b>4-5</b>
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<b>PART 1 – ANNUAL BUDGET .....</b>	<b>6</b>
-------------------------------------	----------

1.1 MAYORAL BUDGET SPEECH .....	6
1.2 COUNCIL RESOLUTIONS.....	6-7
1.3 BUDGET 2010/11 MID-YEAR REVIEW AND ADJUSTMENT BUDGET.....	7
1.4 EXECUTIVE SUMMARY.....	7-10
1.5 BUDGET OVERVIEW OF THE 2010/11 MTREF.....	10-12
1.6 OPERATING REVENUE FRAMEWORK.....	12-20
1.7 OPERATING EXPENDITURE FRAMEWORK.....	20-22
1.8 CAPITAL BUDGET.....	22-23
1.9 BUDGET SCHEDULES.....	24-34

<b>PART 2 – SUPPORTING DOCUMENTATION.....</b>	<b>35</b>
---	-----------

2.1 DISCLOSURE ON IMPLEMENTATION OF THE MFMA.....	35
2.2 BUDGET PREPERATION PROCESS.....	35-41
2.3 SERVICE DELIVERY & BUDGET IMPLEMENTATION PLAN.....	42-44
2.4 ALIGNMENT OF BUDGET TO IDP.....	45-48
2.5 MEASURABLE PERORMANCE OBJECTIVES.....	49-74
2.6 OVERVIEW OF BUDGET RELATED POLICIES.....	75-77
2.7 BUDGET ASSUMPTIONS.....	77-81
2.8 OTHER SUPPORTING DOCUMENTS.....	82-101
2.9 MUNICIPAL MANAGER'S QUALITY CERTIFICATE.....	102

## List of Tables

Table 1 – Consolidated Overview of the 2011/12 MTREF.....	12
Table 2 – Summary of revenue classified by main revenue source.....	12
Table 3 – Grants allocation.....	13
Table 4 – Comparison of proposed rates to be levied for the 2011/12 financial year.....	16
Table 5 – Proposed water tariffs.....	16
Table 6 – Comparison between current water charges and increases (Domestic).....	17
Table 7 – Comparison between current electricity charges and increases (Domestic).....	18
Table 8 – Comparison between current sanitation charges and increases.....	18
Table 9 – Comparison between current sanitation fees and increases for a single dwelling-house..	18
Table 10 – Comparison between current waste removal fees and increases.....	19
Table 11 – SA14: Household bills.....	20
Table 12 – Summary of operating expenditure by standard classification.....	21
Table 13 – Repairs and maintenance per asset class.....	22

Table 14 – Capital funding source.....	22
Table 15 – Capital expenditure by GFS classification.....	23
Table 16 – A1: Budget Summary.....	25
Table 17 – A2: Budgeted Financial Performance by standard classification (revenue and expenditure).....	26
Table 18 – A3: Budgeted Financial Performance by municipal vote (revenue and expenditure).....	27
Table 19 – A4: Budgeted Financial Performance by revenue source and expenditure type.....	28
Table 20 – A5: Budgeted Capital Expenditure by vote, standard classification and funding.....	29
Table 21 – A6: Budgeted Financial Position.....	30
Table 22 – A7: Budgeted Cash Flow.....	31
Table 23 – A8: Cash backed reserves/accumulated surplus reconciliation.....	31
Table 24 – A9: Asset management.....	32
Table 25 – A10: Basic Service Delivery Measurement.....	33-34
Table 26 – Schedule of Key deadlines relating to the budget process.....	37-39
Table 27 – IDP and Budget Roadshow programme for 2011/12.....	41
Table 28 – SA4: Reconciliation between IDP strategic objectives and budgeted operating revenue.....	46
Table 29 – SA5: Reconciliation between IDP strategic objectives and budgeted operating expenditure.....	47
Table 30 – SA6: Reconciliation between IDP strategic objectives and budgeted capital expenditure.....	48
Table 31 – SA8: Performance indicators and benchmarks.....	74
Table 32 – SA18: Transfers and grants receipt.....	82
Table 33 – SA19: Expenditure on transfers and grants.....	83
Table 34 – SA22: Summary of councillors and staff benefits.....	84
Table 35 – SA23: Salaries, allowances and benefits (political office bearers/councillors and senior managers.....	85
Table 36 – SA24: Summary of personnel numbers.....	85
Table 37 – SA25: Budgeted monthly revenue and expenditure by revenue source and expenditure type.....	86
Table 38 – SA26: Budgeted monthly revenue and expenditure by municipal vote.....	87
Table 39 – SA27: Budgeted monthly revenue and expenditure by standard classification.....	88
Table 40 – SA28: Budgeted monthly capital expenditure by municipal vote.....	89
Table 41 – SA29: Budgeted monthly capital expenditure by standard classification.....	90
Table 42 – SA30: Budgeted monthly cash flow.....	91
Table 43 – SA34a: Capital expenditure on new assets by asset class.....	93
Table 44 – SA34b: Capital expenditure on the renewal of assets by asset class .....	94
Table 45 – SA34c: Repairs and maintenance expenditure by asset class.....	95
Table 46 – SA36: Detailed capital budget per municipal vote.....	96-99
Table 47 – SA1: Supporting detail to budgeted financial performance.....	100
Table 48 – SA3: Supporting detail to Statement of Financial Position.....	101

## **ANNEXURES TO THE DOCUMENT**

Annexure 1	Budget Speech
Annexure 2	Budget Item
Annexure 3	Detailed Capital Plan
Annexure 4	Rates and tariffs 2011/12
Annexure 5	Tariff policy
Annexure 6	Customer care, credit control and debt collection policy
Annexure 7	Indigent policy
Annexure 8	Property Rates Act
Annexure 9	Service Delivery and Budget Implementation Plan 2011/12
Annexure 10	MFMA Circular no. 54
Annexure 11	MFMA Circular no. 55
Annexure 12	Mid-year Assessment Report 2010/11

## Glossary

<b>Adjustments Budget</b> – Prescribed in section 28 of the MFMA. The formal means by which a municipality may revise its annual budget during the year.
<b>Allocations</b> – Money received from Provincial or National Government or other municipalities.
<b>Budget</b> – The financial plan of the Municipality.
<b>Budget Related Policy</b> – Policy of a municipality affecting or affected by the budget, such as the tariffs policy, rates policy and credit control and debt collection policy.
<b>Capital Expenditure</b> - Spending on assets such as land, buildings and machinery. Any capital expenditure must be reflected as an asset on the Municipality's balance sheet.
<b>Cash flow statement</b> – A statement showing when actual cash will be received and spent by the Municipality. Cash payments do not always coincide with budgeted expenditure timings. For example, when an invoice is received by the Municipality it scores as expenditure in the month it is received, even though it may not be paid in the same period.
<b>DORA</b> – Division of Revenue Act. Annual piece of legislation that shows the amount of allocations from national to local government.
<b>Equitable Share</b> – A general grant paid to municipalities. It is predominantly targeted to help with free basic services.
<b>Fruitless and wasteful expenditure</b> – Expenditure that was made in vain and would have been avoided had reasonable care been exercised.
<b>GFS</b> – Government Finance Statistics. An internationally recognised classification system that facilitates like for like comparison between municipalities.
<b>GRAP</b> – Generally Recognised Accounting Practice. The new standard for municipal accounting.
<b>IDP</b> – Integrated Development Plan. The main strategic planning document of the Municipality
<b>KPI's</b> – Key Performance Indicators. Measures of service output and/or outcome.
<b>MFMA</b> – The Municipal Finance Management Act – no 53 of 2003. The principle piece of legislation relating to municipal financial management.
<b>MTREF</b> – Medium Term Revenue and Expenditure Framework. A medium term financial plan, usually 3 years, based on a fixed first year and indicative further two years budget allocations. Also includes details of the previous and current years' financial position.
<b>Operating Expenditure</b> – Spending on the day to day expenses of the Municipality such as salaries and wages.

<b>Rates</b> – Local Government taxation based on an assessed value of a property. To determine the rates payable, the assessed rateable value is multiplied by the rate in the rand.
<b>SDBIP</b> – Service Delivery and Budget Implementation Plan. A detailed plan comprising quarterly performance targets and monthly budget estimates.
<b>Strategic Objectives</b> – The main priorities of the Municipality as set out in the IDP. Budgeted spending must contribute towards the achievement of the strategic objectives.
<b>Unauthorised expenditure</b> – Generally, spending without, or in excess of, an approved budget.
<b>Virement</b> – A transfer of budget.
<b>Virement Policy</b> - The policy that sets out the rules for budget transfers. Virements are normally allowed within a vote. Transfers between votes must be agreed by Council through an Adjustments Budget.
<b>Vote</b> – One of the main segments into which a budget is divided, usually at directorate / department level.

## **Part 1 – Annual Budget**

### **1.1 Mayoral Budget Speech**

The budget speech is included as a separate document.

### **Executive Mayor**

### **1.2 - Council Resolutions**

On 30 May 2011 the Council of George Municipality had a meeting to consider the annual budget for the year 2011/12. The Council approved the following resolutions:

- (a) that the amendments to the following draft policies be approved:
  - (i) Customer care, credit control and debt collection;
  - (ii) Indigent policy;
  - (iii) Tariff policy;
  - (iv) Property rates policy;
  - (v) SCM Policy;
  - (vi) Asset Management Policy.
- (b) that the draft annual budget for the financial year 2011/12 and indicative outer years 2012/13 and 2013/14 be approved as set-out:
  - (i) Capital expenditure by project as contained in annexure "A" to the agenda;
  - (ii) Capital funding by source as contained in annexure "A" to the agenda;
  - (iii) Operating revenue by source as contained in Table A4 of the report;
  - (iv) Operating expenditure by type as contained in Table A4 of the report;
- (c) that property rates as reflected in the report be imposed for the budget year 2011/12;
- (d) that tariffs and services charges, as reflected in the formal tariff list for the budget year 2011/12, be approved;
- (e) that the property rates and tariffs for service charges for the DMA Area, as reflected in the formal tariff list for the budget year 2011/12, be approved;
- (f) that the draft Service Delivery and Budget Implementation Plan (SDBIP) be noted for the budget year 2011/12 as contained in annexure "B" to the agenda;

- (g) that the capital funding, both internal and external funding, be secured prior to the commencement of new capital projects;
- (h) that the heads of departments not proceed with projects before the go ahead is given by the ruling party/ coalition after the election;
- (i) that the draft annual budget documentation for 2011/12 – 2013/14 as outlined in the budget regulations and contained in the budget documentation pack be submitted to National and Provincial Treasury.

### 1.3 – Budget 2010/11 Mid-year Review and adjustment budget

The following table shows the original and adjustment budget for 2010/11.

<b>R'000</b>	<b>Original Budget 2010/11</b>	<b>MYR Adjusted Budget 2010/11</b>	<b>Difference</b>
Capital	R175 181	R150 517	R4 664
Operating Income	R888 810	R944 389	R55 579
Operating Expenditure	R855 127	R908 485	R53 358

The 2010/11 adjustment budget was taken into account in the preparation of the 2011/12 MTREF. In particular, the capital budget must be set at a level that is realistic in terms of the capacity to deliver.

### 1.4 – Executive Summary

The budget committee was confronted with numerous challenges during the budget process. The following had an impact:

- The introduction of the new staff structure and the adjustment of the T-Gradings.
- The negative effect of the economic downturn.
- The impact of the drought on the water service.
- Funding constraints through external loans and the Capital Replacement Reserve (CRR).
- The incorporation of the district management area (DMA) – Uniondale/Haarlem.
- Eskom's directive that bulk purchases will increase by 26,7% and municipal electricity sales increase by 20,38%

The 2011/12 adjustment budget again proved that the ability of Council to reduce costs is limited by the fact that the fixed cost component of the operating budget by far exceeds the variable costs. Salaries, depreciation, interest on external loans and bulk purchases of electricity absorbs 59,9% of the budget. Service delivery will be severely affected by reducing the variable costs.

The effect of the long-term financial plan will only realise in two to three years from now. In addition to the above the following measures will have to be introduced:-

- The staff establishment must be reviewed to reduce the cost of support services and non-income generating services.
- A productivity analysis must be undertaken to identify duplication of functions and utilization of staff.
- A social service and poverty-alleviation policy must be drafted to reduce costs.

The municipal manager must be instructed to reduce the abovementioned decisions by Council to KPI's for all Heads of Departments. The bulk of the points for performance should be awarded for the abovementioned KPI's.

In spite of the identified challenges, the Budget Committee, with the exception of electricity sales, managed to restrict all tariff increases to 6%. Unfortunately, this strategy restricted the municipality's ability to contribute to the Capital Replacement Reserve. Funding from the reserve for 2011/12 will depend on land sales.

National Treasury sent out MFMA Circular No. 55 of 7 March 2011 providing guidance to municipalities on their 2011/12 budgets and Medium Term Revenue and Expenditure Framework (MTREF). MFMA Circular No. 55 reminds us of the National priorities – municipalities need to focus on maximizing its contribution to job creation. It is essential reading the material in order to understand the background to this budget and should be read together with MFMA Circular No. 54.

### **Fiscal Overview of George Municipality**

During the LGMTEC 3 visit the provincial treasury reported as follows in their draft overview of the municipality:

#### **“Socio-economic reality evident in the Municipality**

George's economy showed strong overall growth between 2001 and 2009, growing at an annual average rate of 4.8 % from R3.389 billion in 2001 to R4.914 billion in 2009. However in 2009, the Municipality recorded negative year-on-year growth of 1.6 %. In 2009 George Municipality's regional gross value added (GVA-R1) of R4.914 billion accounted for 29.9 % of the Eden region's economy, making it the largest contributor to Eden's GVA-R.

The sectors that contributed the most to GVA-R in 2009 were Finance (29.6%), Manufacturing (17.1%), Trade (15.9%) and Community Services (15.2%). With the exception of the Finance sector, these were also the highest employment creating sectors<sup>1</sup> with Community, social and personal services and the Wholesale and retail trade sectors each employing 15.5 %, Construction and Manufacturing with 13.5 and 12.1 % respectively and with Finance, insurance, real estate and business services, the largest of the economic sectors, contributing only 8.8 % to total employment in the region. The unemployment rate shows a drop from 29.6 % in 2001 to 17.9 % in 2007. No latest municipal level information on unemployment is available,

therefore we can only speculate as to the extent of the impact of the latest economic decline on employment.”

The financial challenges facing George are considerable, particularly in terms of the infrastructure needs of the town. Meeting these challenges has to be balanced with the keeping rates and tariffs affordable.

During the current financial year Council started with a long term financial plan. The following strategic decisions were taken:-

- (a) that the municipality starts focussing on its core functions to effect savings on the operating budget. For this purpose the Finance Committee in conjunction with the Heads of Departments, scrutinise every expenditure vote to determine whether savings can be affected;
- (b) that the income budget be revised to maximise income through effectiveness and not necessary rates and service charge increases. Targets in certain cases must be determined;
- (c) that a separate income enhancement exercise must be undertaken to determine whether all consumers are billed and are contributing to the municipality's income;
- (d) that sufficient provision for debtor's impairment be made in the 2011/2012 operating budget;
- (e) that at least a 10% provision to the capital replacement reserve be made in all future operating budgets;
- (f) that the policy relating to capital contributions be scrutinised and the municipality must not subsidise or act as a bank for developers;
- (g) that reporting to the Finance Committee be adjusted to focus on cash management to improve liquidity;
- (h) that Council accepts the fact that the 2011/2012 budget will only be a maintenance budget without new capital projects;
- (i) that subsidies from National and Provincial Government be maximised;
- (j) that the marketing strategy for available land be reconsidered.

National Treasury has also set out the requirements for funding the budget and producing a credible budget.

### **Funding the Budget**

Section 18(1) of the MFMA states that an annual budget may only be funded from:

- ☛ Realistically anticipated revenues to be collected;
- ☛ Cash backed accumulated funds from previous years' surpluses not committed for other purposes; and
- ☛ Borrowed funds, but only for the capital budget referred to in section 17.

Achievement of this requirement in totality effectively means that a Council has 'balanced' its budget by ensuring that budgeted outflows will be offset by a combination of planned inflows.

Under old budget formats a 'balanced' income generated approach was a key objective and this assisted in ensuring that outflows were matched by inflows, provided revenue collections were realistic. However, GRAP compliant budgets necessitate that budget 'balancing' be much more comprehensive.

New budgeting and accounting formats demand that the budgeted Statement of Financial Performance (Income Statement), the Budgeted Statement of Financial Position (Balance Sheet) and the Budgeted Statement of Cash Flows must be considered simultaneously to ensure effective financial management and sustainability.

### **A Credible Budget**

Amongst other things, a credible budget is a budget that:

- ☛ Funds only activities consistent with the revised IDP and vice versa ensuring the IDP is realistically achievable given the financial constraints of the municipality;
- ☛ Is achievable in terms of agreed service delivery and performance targets;
- ☛ Contains revenue and expenditure projections that are consistent with current and past performance and supported by documented evidence of future assumptions;
- ☛ Does not jeopardise the financial viability of the municipality (ensures that the financial position is maintained within generally accepted prudential limits and that obligations can be met in the short, medium and long term); and
- ☛ Provides managers with appropriate levels of delegation sufficient to meet their financial management responsibilities.

A budget sets out certain service delivery levels and associated financial implications. Therefore the community should realistically expect to receive these promised service delivery levels and understand the associated financial implications. Major under spending due to under collection of revenue or poor planning is a clear example of a budget that is not credible and unrealistic.

Furthermore, budgets tabled for consultation at least 90 days prior to the start of the budget year should already be credible and fairly close to the final approved budget.

### **1.5 – Budget Overview of the 2011/12 MTREF**

This section provides an overview of the George Municipality's 2011/12 to 2013/14 MTREF. It includes an assessment of how the budget links with the national and provincial government contexts along with a review of the fiscal position of George Municipality.

The Municipality's budget must be seen within the context of the policies and financial priorities of national, provincial and district government. In essence, the spheres of Government are partners in meeting the service delivery challenges faced in George. George alone cannot meet these challenges. It requires support

from the other spheres of Government through the direct allocation of resources as well as the achievement of their own policies.

### The National Context

“Government has again sought to insulate local government from the on-going impact of the economic downturn. Although the economy is recovering, the fiscal situation remains very tight.” (MFMA Circular No. 55, p.2) South Africa has achieved considerable success in achieving macroeconomic stability; however, the economy is still plagued with high levels of unemployment and poverty.

According to Circular No. 55, the following headline forecasts underpin the national 2011 Budget:

Fiscal Year	2009/10 Actual	2010/11 Estimate	2011/12	2012/13	2013/14
			Forecast		
Headline CPI Inflation	6.3%	4.2%	4.8%	5.3%	5.5%

The growth parameters apply to tariff increases for property rates, user and other charges raised by municipalities and municipal entities, to ensure that all spheres of government support the national macro economic policies, unless it can be shown that external factors impact otherwise.

The budget process in George followed the requirements of the MFMA. A Table of key deadlines was prepared for tabling in Council by the Mayor prior to the end of August 2010.

A Budget Committee was established to examine, review and prioritise budget proposals from departments.

The Draft budget was tabled on 31 March 2011. The final budget has to be approved by Council by the end of May 2011.

Over the 3 year period, the Municipality is planning to spend R493.8m on capital investment for the infrastructure needs of the town. In 2011/12 the capital budget is R162.9m. Operating expenditure in 2011/12 is budgeted at R965m.

The MFMA requires municipalities to set out measurable performance objectives when tabling their budgets. These “key deliverables” link the financial inputs of the budget to service delivery on the ground.

As a further enhancement to this, quarterly service targets and monthly financial targets are contained in the Service Delivery and Budget Implementation Plan (SDBIP). This must be approved by the Mayor within 28 days after the approval of the final budget and forms the basis for the Municipality’s in year monitoring.

In view of the aforementioned, the following table is a consolidated overview of the proposed MTREF:

**Table 1 Consolidated Overview of the 2011/12 MTREF**

	Adjustment Budget 2010/11	Budget Year 2011/12	Budget Year +1 2012/13	Budget Year +2 2013/14
Total Operating Revenue	944,388,907	988,486,450	1,058,309,350	1,182,081,250
Total Operating Expenditure	908,484,642	965,195,861	1,007,277,153	1,138,809,187
Appropriations	35,774,802	23,235,194	51,005,237	43,209,638
(Surplus)/Deficit for the year	-129,463	-55,395	-26,960	-62,425
Total Capital Expenditure	150,516,860	162,912,000	171,685,050	159,365,000

## 1.6 – Operating Revenue Framework

For George Municipality to continue improving the quality of services provided to its citizens it needs to generate the required revenue.

The municipality's revenue strategy is built around the following key components:

- National Treasury's guidelines, Circular No. 54 & 55;
- The municipality's Property Rates Policy;
- The municipality's Credit Control and Indigent Policy and rendering of free basic services;
- Tariff policy and structure;
- Electricity tariff increases as approved by the National Electricity Regulator of South Africa (NERSA);

The following table is a summary of the 2011/12 MTREF (classified by main revenue source):

**Table 2 Summary of revenue classified by main revenue sources**

Description	2007/8	2008/9	2009/10	Current Year 2010/11				2011/12 Medium Term Revenue & Expenditure Framework		
	Audited Outcome	Audited Outcome	Audited Outcome	Original Budget	Adjusted Budget	Full Year Forecast	Pre-audit outcome	Budget Year 2011/12	Budget Year +1 2012/13	Budget Year +2 2013/14
<b>R thousand</b>										
<b>Revenue By Source</b>										
Property rates	89,606	100,329	108,050	122,344	123,724	123,724	123,724	139,499	145,711	154,460
Property rates - penalties & collection charges	1,413	1,567	1,322	1,960	1,960	1,960	1,960	1,435	1,521	1,612
Service charges - electricity revenue	183,021	212,534	267,034	336,526	328,526	328,526	328,526	398,479	472,397	566,360
Service charges - water revenue	61,229	62,936	72,430	82,415	85,415	85,415	85,415	95,316	98,667	101,327
Service charges - sanitation revenue	41,245	44,889	51,395	55,964	57,464	57,464	57,464	62,118	65,088	68,455
Service charges - refuse revenue	28,110	33,334	38,464	45,440	45,440	45,440	45,440	48,472	51,211	53,995
Service charges - other	57	10	8	10	10	10	10	10	10	11
Rental of facilities and equipment	2,128	1,857	1,819	1,830	1,795	1,795	1,795	1,800	1,870	1,901
Interest earned - external investments	36,250	29,781	14,673	11,161	12,461	12,461	12,461	5,250	6,770	7,300
Interest earned - outstanding debtors	5,082	5,003	4,127	2,612	2,612	2,612	2,612	3,170	3,322	3,320
Dividends received	-	-	-	-	-	-	-	-	-	-
Fines	4,863	10,167	3,759	11,580	11,980	11,980	11,980	13,253	13,461	13,600
Licences and permits	2,760	2,538	2,762	2,824	2,504	2,504	2,504	2,184	2,285	2,394
Agency services	4,902	4,956	5,120	5,028	5,191	5,191	5,191	5,695	6,197	6,547
Transfers recognised - operational	53,205	78,263	62,597	112,613	166,084	166,084	166,084	128,450	103,916	119,860
Other revenue	39,724	54,007	35,584	17,957	17,748	17,748	17,748	13,198	12,632	12,855
Gains on disposal of PPE	326	682	95	-	-	-	-	-	-	-
<b>Total Revenue (excluding capital transfers and contributions)</b>	<b>553,920</b>	<b>642,855</b>	<b>669,239</b>	<b>810,263</b>	<b>862,913</b>	<b>862,913</b>	<b>862,913</b>	<b>918,328</b>	<b>985,057</b>	<b>1,113,996</b>

Revenue generated from property rates and service charges forms a significant percentage of the revenue source of the municipality. The above table excludes revenue foregone arising from discounts and rebates associated with the tariff policies of the Municipality.

The following table gives a breakdown of the various grants allocated to the municipality over the medium term:

**Table 3 Grants Allocation**

Local government allocations 2011/12 – 2013/14			
	Medium Term Estimates		
R '000	2011/12	2012/13	2013/14
<b>National Grants</b>	<b>130,777</b>	<b>127,787</b>	<b>136,431</b>
Equitable share	72, 201	80, 365	85, 706
Infrastructure (MIG)	36, 309	44, 147	46, 575
Electrification Programme	5, 349	1, 225	2, 000
Financial Management (FMG)	1, 250	1, 250	1, 250
Municipal Systems Improvement	790	800	900
Electricity Demand Side Management Grant	4, 000	-	-
Expanded Public Works Programme Incentive Grant	2, 378	-	-
Municipal Drought Relief Grant	-	-	-
Regional Bulk Infrastructure Grant	8, 500		-
<b>Provincial Grants</b>	<b>50,666</b>	<b>46,825</b>	<b>49,253</b>
Integrated Housing & Human Settlement & Development Grant	46, 858	44, 794	47, 217
Library Services	1, 100	-	-
Mobility Strategies	2, 000	1, 500	1, 500
Community Development Worker Operational Support Grant	130	135	140
Integrated Transport Planning	396	396	396
Maintenance of Proclaimed Roads	182	-	-
Cleanest Town Competition			
<b>Total Allocations</b>	<b>181,443</b>	<b>174,612</b>	<b>185,684</b>

### **Property Rates**

Property rates cover the cost of the provision of general services. Determining the effective property rate tariff is therefore an integral part of the municipality's budgeting process.

National Treasury's MFMA Circular No. 51 deals, inter alia with the implementation of the Municipal Property Rates Act, with the regulations issued by the Department

of Co-operative Governance. These regulations came into effect on 1 July 2009 and prescribe the rate ratio for the non-residential categories, public service infrastructure and agricultural properties relative to residential properties to be 0,20:1. The implementation of these regulations was done in the previous budget process and the Property Rates Policy of the Municipality has been amended accordingly.

The Council of the George Municipality determined, in terms of the Local Government: Municipal Property Rates Act, 2004 (Act No. 6 of 2004), the Local Government: Municipal Systems Act, 2000 (Act No.32 of 2000) and the Municipal Finance Management Act, 2003 (Act No.56 of 2003), property rates and services charges in order to balance its 2011/2012 Budget. The property rates and services charges become effective from 1 July 2011.

**THE FOLLOWING EXCLUSIONS / EXEMPTIONS / REBATES ON PROPERTY RATES WILL BE GRANTED:**

**1.1 EXCLUSION OF IMPERMISSIBLE RATES**

In terms of Section 17 of the Municipal Property Rates Act, 2004 (Act no. 6 of 2004) a Municipality may not levy a rate

- 1.1.1 on the first 30% of the market value of the public service infrastructure;
- 1.1.2 on those parts of a nature reserve, national park or nature reserve within the meaning of the Protected Areas Act;
- 1.1.3 on the first R15 000.00 of the market value of a property assigned in the valuation or supplementary roll to a category determined by the Municipality:
  - for improved and unimproved residential properties;
  - for properties used for multiple purposes;
- 1.1.4 on a property registered in the name of and used primarily as a place of public worship, including an official residence which is occupied by an office-bearer.

**1.2 REBATE IN RESPECT OF ZONING**

- 1.2.1 Sites zoned for residential purposes and used for residential purposes only and of which the total valuation is R100 000.00 or less, will automatically be exempt from property rates;
- 1.2.2 Regarding sites zoned for residential purposes and used for residential purposes only and of which the valuation is R100 001.00 or more no exemption as stipulated in 1.2.1 above will apply. Section 1.1.3 will apply in these circumstances where an impermissible

exclusion will be awarded on the first R15 000.00 of the valuation of the property. A rebate of 20 % on the rates payable will be granted on the balance of the property valuation exceeding the R15 000.00 exclusion.

### 1.3 **REBATE IN RESPECT OF INCOME**

With regard to paragraph 1.2.2 the following additional rebates, to a maximum of 40 %, will be granted to persons applying before 30 June 2011:

<b><u>Ratepayer with an annual income of</u></b>		<b><u>Percentage rebate</u></b>
R0	- R32 000.00	40%
R32 001.00	- R38 500.00	30%
R38 501.00	- R46 000.00	20%
R46 001.00	- R53 000.00	10%

For the purposes of 1.3 a ratepayer will be defined as follows: “A registered owner of rateable property who inhabits and controls the property and is responsible for the payment of rates on the property”;

For the purpose of 1.3 the income of a ratepayer will be determined as the total income of the ratepayer and his/her spouse from all sources, plus income of all resident children from all sources.

### 1.4 **REBATE IN RESPECT OF AGRICULTURAL PROPERTIES THAT ARE ZONED AND USED FOR AGRICULTURAL PURPOSES**

- 1.4.1 A rebate of 80% on rates (refer to 1.1) will be granted in respect of properties which are zoned and used for agricultural purposes;
- 1.4.2 No rebate on rates will be granted to businesses operating on agricultural properties.

### 1.5 **REBATE FOR PROPERTY OF THE STATE AND SCHOOLS**

- 1.5.1 A rebate of 20% on rates will be granted to the state and schools based on the tariff applicable in the George Area as outlined in section 1.2 above.

The categories of rate-able properties for purposes of levying rates and the proposed rates for the 2011/12 financial year based on a 6 % increase from 1 July 2011 is contained below:

**Table 4 Comparison of proposed rates to be levied for the 2011/12 financial year**

Category	Current Tariff (1 July 2010)	Proposed tariff (from 1 July 2011)
	c	C
Residential properties	0.00436	0.004622
State owned properties	0.004871	0.005163
Business & Commercial	0.004871	0.005163
Agricultural	0.00436	0.004622
Vacant land	0.00436	0.004622
Municipal rateable	-	-
Industrial	0.004871	0.005163
Non-permitted use	-	-
Public benefit organisation properties	0.004871	0.005163

### **Sale of Water and Impact of Tariff Increases**

South Africa faces similar challenges with regard to water supply as it did with electricity, since demand growth outstrips supply. Consequently, National Treasury is encouraging all municipalities to carefully review the level and structure of their water tariffs to ensure:

- Water tariffs are fully cost-reflective – including the cost of maintenance and renewal of purification plants, water networks and the cost associated with reticulation expansion;
- Water tariffs are structured to protect basic levels of service and ensure the provision of free water to the poorest of the poor (indigent); and
- Water tariffs are designed to encourage efficient and sustainable consumption.

In addition National Treasury has urged all municipalities to ensure that water tariff structures are cost reflective by 2014.

A tariff increase of 6 % from 1 July 2011 for water is proposed. In addition 6 kℓ water per 30-day period will again be granted free of charge to all residents.

A summary of the proposed tariffs for households (residential) and non-residential are as follows:

**Table 5 Proposed Water Tariffs**

CATEGORY	CURRENT TARIFFS 2010/11	PROPOSED TARIFFS 2011/12
	Rand per kℓ	Rand per kℓ
<b>RESIDENTIAL</b>		
(i) 0 to 6 kℓ per 30-day period	Free	Free
(ii) 6 to 12 kℓ per 30-day period	8,32	8,82
(iii) 12 to 20 kℓ per 30-day period	9,58	10,15
(iv) 20 to 30 kℓ per 30-day period	11,49	12,18
(v) 30 to 50 kℓ per 30-day period	13,79	14,62
(vi) 50 kℓ per 30-day period	15,73	16,67
<b>NON-RESIDENTIAL</b>		
(i) 0 to 6 kℓ per 30-day period	8,32	8,82
(ii) 6 to 12 kℓ per 30-day period	8,32	8,82

CATEGORY	CURRENT TARIFFS 2010/11	PROPOSED TARIFFS 2011/12
	Rand per kℓ	Rand per kℓ
(iii) 12 to 20 kℓ per 30-day period	9,58	10,15
(iv) 20 to 30 kℓ per 30-day period	11,49	12,18
(v) 30 to 50 kℓ per 30-day period	12,60	13,36
(vi) 50 kℓ per 30-day period	13,79	14,62

The following table shows the impact of the proposed increases in water tariffs on the water charges for a single dwelling-house:

**Table 6 Comparison between current water charges and increases (Domestic)**

Monthly consumption kℓ	Current amount payable R	Proposed amount payable R	Difference (Increase) R	Percentage change
20	126,56	134,12	7,56	6%
30	241,46	255,92	14,46	6%
40	379,36	402,12	22,76	6%
50	517,26	548,32	31,06	6%
80	989,16	1 048,42	59,26	6%
100	1 303,76	1 381,82	78,06	6%

The tariff structure of the 2010/11 financial year has not been changed. The tariff structure is designed to charge higher levels of consumption a higher rate, steadily increasing to a rate of R14.62 per kilolitre for consumption in excess of 50kℓ per 30 day period.

### **Sale of Electricity and Impact of Tariff Increases**

NERSA has announced the revised bulk electricity pricing structure. A 26.71% increase in the Eskom bulk electricity tariff to municipalities will be effective from 1 July 2011.

Considering the Eskom increases, the consumer tariff had to be increased by 20.38 % to offset the additional bulk purchase cost from 1 July 2011. Furthermore, it should be noted that given the magnitude of the tariff increase, it is expected to depress growth in electricity consumption, which will have a negative impact on the municipality's revenue from electricity.

Registered indigents will again be granted 70 kWh per 30-day period free of charge. In addition all other residential customers will receive 20 kWh free of charge.

The following table shows the impact of the proposed increases in electricity tariffs on the water charges for domestic customers:

**Table 7 Comparison between current electricity charges and increases (Domestic)**

Monthly consumption kWh	Current amount payable R	Proposed amount payable R	Difference (Increase) R	Percentage change
100	70,52	84,89	14,37	20,37%
250	202,75	244,05	41,31	20,37%
500	292,61	352,22	59,62	20,37%
750	445,01	535,67	90,67	20,37%
1 000	597,41	719,12	121,72	20,37%
2 000	1 207,01	1 452,92	245,92	20,37%

It should further be noted that NERSA has advised that a stepped tariff structure needs to be implemented from 1 July 2011. The effect thereof will be that the higher the consumption, the higher the cost per kWh. The aim is to subsidise the lower consumption users (mostly the poor). The Municipality has entered into discussions with NERSA regarding the suitability of the NERSA proposed stepped tariffs compared to those already being implemented by the Municipality. Until the discussions are concluded, the Municipality will maintain the current structure of its electricity tariffs.

### **Sanitation and Impact of Tariff Increases**

A tariff increase of 6 % for sanitation from 1 July 2011 is proposed.

The following table compares the current and proposed tariffs:

**Table 8 Comparison between current sanitation charges and increases:**

CURRENT TARIFF 2010/11 Rand per year	PROPOSED TARIFF 2011/12 Rand per year	DIFFERENCE R	% INCREASE
1 364.14	1 445.99	81.85	6.00%

The following table shows the impact of the proposed increases in sanitation tariffs on the sanitation charges for a single dwelling-house:

**Table 9 Comparison between current sanitation fees and increases for a single dwelling-house**

CURRENT TARIFF 2010/11 Rand per year	PROPOSED TARIFF 2011/12 Rand per year	DIFFERENCE R	% INCREASE
1 079.00	1 144.00	65.00	6.00%

### **Waste Removal and Impact of Tariff Increases**

Currently solid waste removal is operating at a deficit. It is widely accepted that the rendering of this service should at least break even, which is currently not the case. The Municipality will have to implement a solid waste strategy to ensure that this

service can be rendered in a sustainable manner over the medium to long-term. The main contributors to this deficit are repairs and maintenance on vehicles, increases in general expenditure such as petrol and diesel and the cost of remuneration. Ring-fencing as a principle has been adopted by the budget committee but will have to be phased in as part of the long-term financial plan. A 6 % increase in the waste removal tariff is proposed from 1 July 2011.

The following table compares current and proposed amounts payable from 1 July 2011:

**Table 10 Comparison between current waste removal fees and increases**

	CURRENT TARIFFS 2010/11			PROPOSED TARIFFS 2011/12		
		WASTE REMOVAL	MUNICI- PALITY CLEANING		WASTE REMOVAL	MUNICI- PALITY CLEANING
Tariff per container per month or part of a month: Areas serviced by means of: (Tariff is multiplied by the number of service rounds per week and the number of containers.)	Per litre (per service) (R)	Per month (R)		Per litre (per service) (R)	Per month (R)	
1 100ℓ container removed once a week	0,1563	171,93	171,93	0,1704	187,44	187,44
240ℓ container removed once a week	0,1563	37,51	37,51	0,1704	40,90	40,90
85ℓ container removed twice a week	0,3126	26,57	26,57	0,3407	28,96	28,96
85ℓ container removed once a week	0,1563	13,28	13,28	0,1704	14,48	14,48

The amount payable is calculated as follows:

Example: *85ℓ container removed once a week:*

$$\begin{array}{rcl}
 85\ell \times 0,1704 \text{ (waste removal)} & = & \text{R14,48 per month} \\
 85\ell \times 0,1704 \text{ (Municipality cleaning)} & = & \text{R14,48 per month} \\
 \text{Total payable} & & \text{R28,96 per month}
 \end{array}$$

### Overall impact of tariff increases on households

The following table shows the overall expected impact of tariff increases on a large and small household, as well as an indigent household receiving free basic services.

**Table 11 MBRR Table SA14 – Household bills**

WC044 George - Supporting Table SA14 Household bills

Description	Ref	2007/8	2008/9	2009/10	Current Year 2010/11			2011/12 Medium Term Revenue & Expenditure Framework			
		Audited Outcome	Audited Outcome	Audited Outcome	Original Budget	Adjusted Budget	Full Year Forecast	Budget Year 2011/12 % incr.	Budget Year 2011/12	Budget Year +1 2012/13	Budget Year +2 2013/14
Rand/cent											
<b>Monthly Account for Household - 'Large' Household</b>	1										
<b>Rates and services charges:</b>											
Property rates		217.97	275.25	300.00	327.00	327.00	327.00	6.0%	346.65	367.45	389.50
Electricity: Basic levy		–	–	–	–	–	–	–	–	–	–
Electricity: Consumption		410.03	553.80	719.91	863.87	863.87	863.87	20.4%	1,039.88	1,247.85	1,497.42
Water: Basic levy		34.78	37.21	41.68	47.52	47.52	47.52	6.0%	50.37	53.39	56.60
Water: Consumption		154.96	165.88	191.70	241.46	241.46	241.46	6.0%	255.92	271.28	287.55
Sanitation		78.96	84.48	104.29	100.37	100.37	100.37	6.0%	106.40	127.73	135.39
Refuse removal		59.17	68.04	78.25	89.92	89.92	89.92	6.0%	95.33	101.05	107.12
Other		–	–	–	–	–	–	–	–	–	–
<b>sub-total</b>		<b>955.87</b>	<b>1,184.66</b>	<b>1,435.83</b>	<b>1,670.14</b>	<b>1,670.14</b>	<b>1,670.14</b>	<b>13.4%</b>	<b>1,894.55</b>	<b>2,168.75</b>	<b>2,473.58</b>
VAT on Services		103.31	127.32	159.02	188.04	188.04	188.04		216.71	252.18	291.77
<b>Total large household bill:</b>		<b>1,059.17</b>	<b>1,311.98</b>	<b>1,594.85</b>	<b>1,858.18</b>	<b>1,858.18</b>	<b>1,858.18</b>	<b>13.6%</b>	<b>2,111.25</b>	<b>2,420.93</b>	<b>2,765.35</b>
<b>% increase/-decrease</b>			<b>23.9%</b>	<b>21.6%</b>	<b>16.5%</b>	<b>–</b>	<b>–</b>	<b>13.6%</b>	<b>13.6%</b>	<b>14.7%</b>	<b>14.2%</b>
<b>Monthly Account for Household - 'Small' Household</b>	2										
<b>Rates and services charges:</b>											
Property rates		29.29	55.05	60.00	65.40	65.40	65.40	6.0%	69.33	73.49	77.90
Electricity: Basic levy		–	–	–	–	–	–	–	–	–	–
Electricity: Consumption		200.00	270.12	351.14	421.36	421.36	421.36	20.4%	507.21	608.65	730.38
Water: Basic levy		34.78	37.21	41.68	47.52	47.52	47.52	6.0%	50.37	53.39	56.60
Water: Consumption		120.11	128.58	149.70	184.01	184.01	184.01	6.0%	195.02	206.72	219.12
Sanitation		78.96	84.48	104.29	100.37	100.37	100.37	6.0%	106.40	127.73	135.39
Refuse removal		59.17	68.04	78.25	89.92	89.92	89.92	6.0%	95.33	101.05	107.12
Other		–	–	–	–	–	–	–	–	–	–
<b>sub-total</b>		<b>522.30</b>	<b>643.48</b>	<b>785.06</b>	<b>908.58</b>	<b>908.58</b>	<b>908.58</b>	<b>12.7%</b>	<b>1,023.65</b>	<b>1,171.03</b>	<b>1,326.51</b>
VAT on Services		69.02	82.38	101.51	118.04	118.04	118.04		133.61	153.66	174.80
<b>Total small household bill:</b>		<b>591.32</b>	<b>725.86</b>	<b>886.57</b>	<b>1,026.62</b>	<b>1,026.62</b>	<b>1,026.62</b>	<b>12.7%</b>	<b>1,157.26</b>	<b>1,324.69</b>	<b>1,501.31</b>
<b>% increase/-decrease</b>			<b>22.8%</b>	<b>22.1%</b>	<b>15.8%</b>	<b>–</b>	<b>–</b>	<b>12.7%</b>	<b>12.7%</b>	<b>14.5%</b>	<b>13.3%</b>
<b>Monthly Account for Household - 'Small' Household receiving free basic services</b>	3										
<b>Rates and services charges:</b>											
Property rates		–	–	–	–	–	–	6.0%	–	–	–
Electricity: Basic levy		–	–	–	–	–	–	–	–	–	–
Electricity: Consumption		16.74	19.16	22.03	24.38	24.38	24.38	20.4%	29.35	35.22	42.27
Water: Basic levy		34.78	37.21	41.68	47.52	47.52	47.52	6.0%	50.37	53.39	56.60
Water: Consumption		–	–	–	–	–	–	6.0%	–	–	–
Sanitation		78.96	84.48	104.29	100.37	100.37	100.37	6.0%	106.40	127.73	135.39
Refuse removal		59.17	68.04	78.25	89.92	89.92	89.92	6.0%	95.33	101.05	107.12
Other		–	–	–	–	–	–	–	–	–	–
<b>sub-total</b>		<b>189.64</b>	<b>208.89</b>	<b>246.25</b>	<b>262.19</b>	<b>262.19</b>	<b>262.19</b>	<b>7.3%</b>	<b>281.45</b>	<b>317.40</b>	<b>341.37</b>
VAT on Services		26.55	29.24	34.47	36.71	36.71	36.71		39.40	44.44	47.79
<b>Total small household bill:</b>		<b>216.19</b>	<b>238.13</b>	<b>280.72</b>	<b>298.90</b>	<b>298.90</b>	<b>298.90</b>	<b>7.3%</b>	<b>320.85</b>	<b>361.83</b>	<b>389.16</b>
<b>% increase/-decrease</b>			<b>10.2%</b>	<b>17.9%</b>	<b>6.5%</b>	<b>–</b>	<b>–</b>	<b>7.3%</b>	<b>7.3%</b>	<b>12.8%</b>	<b>7.6%</b>

## 1.7 – Operating Expenditure Framework

The expenditure framework for the 2011/12 budget and MTREF is informed by the guidelines of National Treasury.

The operating expenditure increased from R908 405 million (2010/11) to R965 million in 2011/12.

The following table is a summary of the 2011/12 MTREF (classified by main expenditure types):

**Table 12 Summary of operating expenditure by standard classification**

Description R thousand	2007/8	2008/9	2009/10	Current Year 2010/11				2011/12 Medium Term Revenue & Expenditure Framework		
	Audited Outcome	Audited Outcome	Audited Outcome	Original Budget	Adjusted Budget	Full Year Forecast	Pre-audit outcome	Budget Year 2011/12	Budget Year +1 2012/13	Budget Year +2 2013/14
<b>Expenditure By Type</b>										
Employee related costs	205,562	179,166	208,137	202,638	207,729	207,729	207,729	230,677	240,416	257,252
Remuneration of councillors	7,966	9,188	9,758	10,719	10,719	10,719	10,719	12,913	13,817	14,784
Debt impairment	2,239	6,770	13,946	5,000	5,000	5,000	5,000	11,476	10,300	10,500
Depreciation & asset impairment	40,367	60,791	79,913	88,048	92,385	92,385	92,385	92,452	84,187	78,667
Finance charges	27,338	36,066	47,342	60,489	55,989	55,989	55,989	59,085	59,680	60,192
Bulk purchases	88,881	119,763	151,841	192,000	192,030	192,030	192,030	249,284	309,925	393,600
Other materials	757	435	331	359	355	355	355	352	361	368
Contracted services	32,325	45,227	34,039	67,481	118,169	118,169	118,169	80,719	50,598	63,779
Transfers and grants	33,366	41,324	48,796	63,501	63,536	63,536	63,536	65,194	81,552	86,948
Other expenditure	144,941	156,545	159,491	164,892	162,573	162,573	162,573	163,043	156,440	172,719
Loss on disposal of PPE	–	2,345	2,467	–	–	–	–	–	–	–
<b>Total Expenditure</b>	<b>583,742</b>	<b>657,621</b>	<b>756,062</b>	<b>855,127</b>	<b>908,485</b>	<b>908,485</b>	<b>908,485</b>	<b>965,196</b>	<b>1,007,277</b>	<b>1,138,809</b>

The overall growth of 6.24% can be attributed to increases on several expenditure components.

Reasons for significant cost variances:

- Employee related costs – Provision for additional temporary staff was made.
- Remuneration of Councillors – The 2011/12 provision includes an allocation for additional councillors following the impact of additional wards and demarcation amendments.
- Debt impairment – The calculation is based on the 2011/12 collection ratios and also the current economic climate in the town.
- Bulk purchases – The increase result from higher than inflationary bulk purchase costs, which is directly informed by Eskom.
- Contracted Services – The budget for contracted services has decline from R118 million (2010/11) to R80 million (2011/12). The reason for this is due to the projects that are to be completed within the next financial year.

**Table 13 Repairs and maintenance per asset class**

Description R thousand	2007/8	2008/9	2009/10	Current Year 2010/11			2011/12 Medium Term Revenue & Expenditure Framework		
	Audited Outcome	Audited Outcome	Audited Outcome	Original Budget	Adjusted Budget	Full Year Forecast	Budget Year 2011/12	Budget Year +1 2012/13	Budget Year +2 2013/14
<b>Depreciation &amp; asset impairment</b>	40,367	60,791	79,913	88,048	92,385	92,385	92,452	84,187	78,667
<b>Repairs and Maintenance by Asset Class</b>	61,666	54,262	52,446	60,925	61,248	61,248	65,113	64,806	74,628
Infrastructure - Road transport	22,894	17,431	18,864	18,280	17,785	17,785	19,340	19,650	24,020
Infrastructure - Electricity	12,430	11,395	7,175	9,476	9,006	9,006	10,076	10,621	11,514
Infrastructure - Water	8,800	6,770	6,292	7,211	6,463	6,463	7,680	7,935	8,612
Infrastructure - Sanitation	7,051	6,475	6,657	7,570	9,240	9,240	9,225	9,525	11,575
Infrastructure - Other	8	20	-	10	10	10	10	10	10
Infrastructure	51,183	42,091	38,988	42,547	42,503	42,503	46,331	47,741	55,731
Community	2,320	1,678	1,891	5,627	3,816	3,816	2,337	1,968	2,171
Heritage assets	-	-	-	-	-	-	-	-	-
Investment properties	-	-	-	-	-	-	-	-	-
Other assets	8,163	10,494	11,567	12,751	14,929	14,929	16,445	15,097	16,726
<b>TOTAL OPERATING EXPENDITURE</b>	<b>102,032</b>	<b>115,053</b>	<b>132,358</b>	<b>148,973</b>	<b>153,633</b>	<b>153,633</b>	<b>157,565</b>	<b>148,993</b>	<b>153,295</b>

## 1.8 – Capital Budget

The capital budget increased from R150 million (2010/11) to R162 million in 2011/12.

Due to the impact of the growth in external funding on the operating budget it was decided to limit the capital projects linked to external loans to R40 million. The roll over capital projects from 2010/11 amounts to R10 million.

**Table 14 Capital funding by source**

Vote Description R thousand	2007/8	2008/9	2009/10	Current Year 2010/11				2011/12 Medium Term Revenue & Expenditure Framework		
	Audited Outcome	Audited Outcome	Audited Outcome	Original Budget	Adjusted Budget	Full Year Forecast	Pre-audit outcome	Budget Year 2011/12	Budget Year +1 2012/13	Budget Year +2 2013/14
<b>Funded by:</b>										
National Government	34,699	30,253	92,318	58,619	63,169	63,169	63,169	55,212	45,372	48,575
Provincial Government	35,819	34,390	3,592	19,929	18,107	18,107	18,107	14,946	27,880	19,510
District Municipality	7,546	-	-	-	200	200	200	-	-	-
Other transfers and grants	0	0	0	10,500	900	900	900	4,000	20,750	7,300
<b>Transfers recognised - capital</b>	<b>78,064</b>	<b>64,642</b>	<b>95,910</b>	<b>89,048</b>	<b>82,375</b>	<b>82,375</b>	<b>82,375</b>	<b>74,158</b>	<b>94,002</b>	<b>75,385</b>
<b>Public contributions &amp; donations</b>	<b>-</b>	<b>0</b>	<b>3,000</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>
<b>Borrowing</b>	<b>65,773</b>	<b>130,278</b>	<b>126,319</b>	<b>65,781</b>	<b>49,442</b>	<b>49,442</b>	<b>49,442</b>	<b>53,770</b>	<b>47,768</b>	<b>54,450</b>
<b>Internally generated funds</b>	<b>103,692</b>	<b>642,025</b>	<b>17,838</b>	<b>20,352</b>	<b>18,699</b>	<b>18,699</b>	<b>18,699</b>	<b>34,984</b>	<b>29,915</b>	<b>29,530</b>
<b>Total Capital Funding</b>	<b>247,529</b>	<b>836,945</b>	<b>243,067</b>	<b>175,181</b>	<b>150,517</b>	<b>150,517</b>	<b>150,517</b>	<b>162,912</b>	<b>171,685</b>	<b>159,365</b>

## Internal Funding

One of the main problems impacting on the capital budget was the expected contributions to the Capital Replacement Reserve (CRR) for the current year.

At the mid-year assessment the capital contribution votes under collected and projected below the budgeted figures.

This situation also accentuated the fact that emphasis must be put on expanding the current income sources and exploring other income sources.

The total contributions to the Capitalisation Replacement Reserve (CRR) for the current financial year, 2010/2011 will only be determined at year end.

The situation regarding the internal funds (CRR) will have to be monitored closely and expenditure on capital projects linked to the CRR can only be incurred once it is established that the anticipated revenue has been generated.

### External Funding

The Budget Committee has reduced its reliance on external funding to fund its capital budget. Own resources need to be accumulated before capital projects are embarked on.

The following table provides a breakdown of the budgeted capital expenditure by classification:

**Table 15 Capital expenditure by GFS classification**

Vote Description R thousand	2007/8	2008/9	2009/10	Current Year 2010/11				2011/12 Medium Term Revenue & Expenditure Framework		
	Audited Outcome	Audited Outcome	Audited Outcome	Original Budget	Adjusted Budget	Full Year Forecast	Pre-audit outcome	Budget Year 2011/12	Budget Year +1 2012/13	Budget Year +2 2013/14
<b>Governance and administration</b>	12,102	558,266	531	300	920	920	920	1,630	1,000	40
Executive and council	–	–	–	–	–	–	–	–	–	–
Budget and treasury office	1,560	195	–	50	750	750	750	280	200	–
Corporate services	10,542	558,071	531	250	170	170	170	1,350	800	40
<b>Community and public safety</b>	20,968	24,827	16,144	24,879	14,048	14,048	14,048	9,084	16,610	23,785
Community and social services	11,941	6,904	519	8,739	2,699	2,699	2,699	3,244	3,018	4,188
Sport and recreation	3,608	6,281	12,842	1,600	1,032	1,032	1,032	3,600	408	1,090
Public safety	2,165	5,504	1,252	3,750	2,300	2,300	2,300	80	134	447
Housing	2,734	5,735	1,530	10,790	8,017	8,017	8,017	2,160	13,050	18,060
Health	519	403	–	–	–	–	–	–	–	–
<b>Economic and environmental services</b>	93,737	94,915	34,342	28,412	17,583	17,583	17,583	16,850	25,252	15,650
Planning and development	2,570	354	332	–	–	–	–	–	–	100
Road transport	90,990	94,419	34,002	28,362	17,533	17,533	17,533	16,850	25,242	15,540
Environmental protection	177	143	8	50	50	50	50	–	10	10
<b>Trading services</b>	120,722	158,937	192,050	121,590	117,966	117,966	117,966	135,348	128,823	119,890
Electricity	20,332	56,488	48,576	55,290	57,248	57,248	57,248	57,369	29,935	36,545
Water	48,640	57,775	121,994	55,850	50,127	50,127	50,127	40,816	41,536	30,945
Waste water management	50,473	40,359	21,480	8,450	10,092	10,092	10,092	36,163	51,553	47,300
Waste management	1,277	4,315	–	2,000	500	500	500	1,000	5,800	5,100
<b>Other</b>	–	–	–	–	–	–	–	–	–	–
<b>Total Capital Expenditure - Standard</b>	<b>247,529</b>	<b>836,945</b>	<b>243,067</b>	<b>175,181</b>	<b>150,517</b>	<b>150,517</b>	<b>150,517</b>	<b>162,912</b>	<b>171,685</b>	<b>159,365</b>

A detailed breakdown of the capital budget per project over the MTREF is provided in Table SA36.

## **1.9 – Budget Schedules**

The Municipal Budget and Reporting Regulations are designed to achieve a range of objectives, including improving the local government sphere's ability to deliver basic services by facilitating improved financial sustainability and better medium term planning and policy choices on service delivery.

**Table 16 - A1: Budget Summary**

Description	2007/8	2008/9	2009/10	Current Year 2010/11				2011/12 Medium Term Revenue & Expenditure Framework		
	Audited Outcome	Audited Outcome	Audited Outcome	Original Budget	Adjusted Budget	Full Year Forecast	Pre-audit outcome	Budget Year 2011/12	Budget Year +1 2012/13	Budget Year +2 2013/14
<b>R thousands</b>										
<b>Financial Performance</b>										
Property rates	91,018	101,897	109,372	124,304	125,684	125,684	125,684	140,934	147,232	156,072
Service charges	313,661	353,704	429,330	520,355	516,855	516,855	516,855	604,395	687,373	790,148
Investment revenue	36,250	29,781	14,673	11,161	12,461	12,461	12,461	5,250	6,770	7,300
Transfers recognised - operational	53,205	78,263	62,597	112,613	166,084	166,084	166,084	128,450	103,916	119,860
Other own revenue	59,785	79,210	53,267	41,830	41,829	41,829	41,829	39,299	39,766	40,616
<b>Total Revenue (excluding capital transfers and contributions)</b>	<b>553,920</b>	<b>642,855</b>	<b>669,239</b>	<b>810,263</b>	<b>862,913</b>	<b>862,913</b>	<b>862,913</b>	<b>918,328</b>	<b>985,057</b>	<b>1,113,996</b>
Employee costs	205,562	179,166	208,137	202,638	207,729	207,729	207,729	230,677	240,416	257,252
Remuneration of councillors	7,966	9,188	9,758	10,719	10,719	10,719	10,719	12,913	13,817	14,784
Depreciation & asset impairment	40,367	60,791	79,913	88,048	92,385	92,385	92,385	92,452	84,187	78,667
Finance charges	27,338	36,066	47,342	60,489	55,989	55,989	55,989	59,085	59,680	60,192
Materials and bulk purchases	89,638	120,197	152,172	192,359	192,385	192,385	192,385	249,636	310,286	393,968
Transfers and grants	33,366	41,324	48,796	63,501	63,536	63,536	63,536	65,194	81,552	86,948
Other expenditure	179,506	210,889	209,943	237,373	285,742	285,742	285,742	255,239	217,338	246,998
<b>Total Expenditure</b>	<b>583,742</b>	<b>657,621</b>	<b>756,062</b>	<b>855,127</b>	<b>908,485</b>	<b>908,485</b>	<b>908,485</b>	<b>965,196</b>	<b>1,007,277</b>	<b>1,138,809</b>
<b>Surplus/(Deficit)</b>	<b>(29,822)</b>	<b>(14,766)</b>	<b>(86,822)</b>	<b>(44,864)</b>	<b>(45,571)</b>	<b>(45,571)</b>	<b>(45,571)</b>	<b>(46,867)</b>	<b>(22,220)</b>	<b>(24,813)</b>
Transfers recognised - capital	8,289	7,290	95,910	78,548	81,475	81,475	81,475	70,158	73,252	68,085
Contributions recognised - capital & contributed assets	-	-	-	-	-	-	-	-	-	-
<b>Surplus/(Deficit) after capital transfers &amp; contributions</b>	<b>(21,533)</b>	<b>(7,476)</b>	<b>9,088</b>	<b>33,684</b>	<b>35,904</b>	<b>35,904</b>	<b>35,904</b>	<b>23,291</b>	<b>51,032</b>	<b>43,272</b>
Share of surplus/ (deficit) of associate	-	-	-	-	-	-	-	-	-	-
<b>Surplus/(Deficit) for the year</b>	<b>(21,533)</b>	<b>(7,476)</b>	<b>9,088</b>	<b>33,684</b>	<b>35,904</b>	<b>35,904</b>	<b>35,904</b>	<b>23,291</b>	<b>51,032</b>	<b>43,272</b>
<b>Capital expenditure &amp; funds sources</b>										
<b>Capital expenditure</b>	<b>247,529</b>	<b>836,945</b>	<b>243,067</b>	<b>175,181</b>	<b>150,517</b>	<b>150,517</b>	<b>150,517</b>	<b>162,912</b>	<b>171,685</b>	<b>159,365</b>
Transfers recognised - capital	78,064	64,642	95,910	89,048	82,375	82,375	82,375	74,158	94,002	75,385
Public contributions & donations	-	0	3,000	-	-	-	-	-	-	-
Borrowing	65,773	130,278	126,319	65,781	49,442	49,442	49,442	53,770	47,768	54,450
Internally generated funds	103,692	642,025	17,838	20,352	18,699	18,699	18,699	34,984	29,915	29,530
<b>Total sources of capital funds</b>	<b>247,529</b>	<b>836,945</b>	<b>243,067</b>	<b>175,181</b>	<b>150,517</b>	<b>150,517</b>	<b>150,517</b>	<b>162,912</b>	<b>171,685</b>	<b>159,365</b>
<b>Financial position</b>										
Total current assets	664,892	615,724	598,719	485,595	626,776	601,307	601,307	553,386	533,504	499,865
Total non current assets	1,428,847	1,739,625	1,899,932	1,983,101	2,037,617	2,037,617	2,037,617	2,107,253	2,191,421	2,259,556
Total current liabilities	117,490	136,244	160,785	111,916	153,202	153,202	153,202	131,500	163,864	172,401
Total non current liabilities	562,210	453,678	563,346	1,057,879	597,599	597,599	597,599	617,572	618,839	629,783
Community wealth/Equity	1,414,039	1,765,427	1,774,520	1,298,901	1,913,592	1,888,123	1,888,123	1,911,567	1,942,223	1,957,237
<b>Cash flows</b>										
Net cash from (used) operating	84,146	109,649	92,332	14,634	139,289	110,990	110,990	100,824	115,909	98,813
Net cash from (used) investing	(261,457)	(284,753)	(242,494)	(159,771)	(98,356)	(93,056)	(93,056)	(157,401)	(146,250)	(134,006)
Net cash from (used) financing	151,744	91,834	103,114	41,969	41,188	38,718	38,718	10,080	6,264	2,391
<b>Cash/cash equivalents at the year end</b>	<b>276,157</b>	<b>192,888</b>	<b>145,841</b>	<b>42,673</b>	<b>227,961</b>	<b>202,492</b>	<b>202,492</b>	<b>155,996</b>	<b>131,919</b>	<b>99,117</b>
<b>Cash backing/surplus reconciliation</b>										
Cash and investments available	276,157	192,888	145,841	86,217	227,961	202,492	202,492	155,996	131,919	99,117
Application of cash and investments	171,335	102,520	74,369	77,887	112,244	119,567	119,567	64,626	83,732	93,733
<b>Balance - surplus (shortfall)</b>	<b>104,823</b>	<b>90,368</b>	<b>71,472</b>	<b>8,330</b>	<b>115,718</b>	<b>82,926</b>	<b>82,926</b>	<b>91,370</b>	<b>48,188</b>	<b>5,384</b>
<b>Asset management</b>										
Asset register summary (WDV)	1,424,080	1,735,352	1,896,435	1,979,817	2,034,854	2,034,854	2,106,513	2,106,513	2,191,421	2,259,556
Depreciation & asset impairment	40,367	60,791	79,913	88,048	92,385	92,385	92,452	92,452	84,187	78,667
Renewal of Existing Assets	2,587	(11,222)	30,352	3,940	2,200	2,200	28,401	28,401	39,940	52,900
Repairs and Maintenance	61,666	54,262	52,446	60,925	61,248	61,248	65,113	65,113	64,806	74,628
<b>Free services</b>										
Cost of Free Basic Services provided	2,454	3,193	3,857	4,428	4,428	4,428	4,906	4,906	5,331	5,794
Revenue cost of free services provided	34,371	74,477	91,612	101,868	101,868	101,868	110,183	110,183	107,848	115,925
<b>Households below minimum service level</b>										
Water:	-	-	-	-	-	-	-	-	-	-
Sanitation/sewerage:	1,327	-	-	-	-	-	-	-	-	-
Energy:	7,498	6,000	9,000	8,672	8,672	8,672	9,442	9,442	10,061	10,734
Refuse:	5,793	5,000	3,000	2,544	2,544	2,544	3,999	3,999	4,256	4,730

**Table 17 – A2: Budgeted Financial Performance by standard classification**

Standard Classification Description	2007/8	2008/9	2009/10	Current Year 2010/11			2011/12 Medium Term Revenue & Expenditure Framework		
	Audited Outcome	Audited Outcome	Audited Outcome	Original Budget	Adjusted Budget	Full Year Forecast	Budget Year 2011/12	Budget Year +1 2012/13	Budget Year +2 2013/14
<b>R thousand</b>									
<b>Revenue - Standard</b>									
<i><b>Governance and administration</b></i>	<b>164,488</b>	<b>172,671</b>	<b>181,071</b>	<b>202,214</b>	<b>207,454</b>	<b>207,454</b>	<b>216,634</b>	<b>240,537</b>	<b>255,219</b>
Executive and council	132	188	106	11	22	22	26	26	26
Budget and treasury office	155,787	168,187	166,999	200,408	205,267	205,267	214,472	238,412	253,115
Corporate services	8,569	4,296	13,966	1,795	2,164	2,164	2,136	2,100	2,078
<i><b>Community and public safety</b></i>	<b>41,424</b>	<b>76,661</b>	<b>22,710</b>	<b>61,309</b>	<b>112,068</b>	<b>112,068</b>	<b>68,144</b>	<b>49,085</b>	<b>64,936</b>
Community and social services	1,298	1,694	1,669	1,973	2,008	2,008	2,617	784	836
Sport and recreation	1,368	2,309	4,958	2,322	2,513	2,513	2,552	2,539	2,392
Public safety	4,847	9,969	3,549	11,425	13,425	13,425	12,855	13,008	13,141
Housing	28,117	34,446	12,528	45,589	94,122	94,122	50,120	32,754	48,567
Health	5,793	28,243	6	–	–	–	–	–	–
<i><b>Economic and environmental services</b></i>	<b>22,071</b>	<b>26,818</b>	<b>30,271</b>	<b>31,159</b>	<b>24,982</b>	<b>24,982</b>	<b>23,271</b>	<b>23,939</b>	<b>13,869</b>
Planning and development	9,613	7,215	5,802	5,552	5,216	5,216	2,743	2,993	2,993
Road transport	12,456	19,604	23,808	25,605	19,764	19,764	20,527	20,945	10,875
Environmental protection	2	–	661	2	2	2	1	1	1
<i><b>Trading services</b></i>	<b>334,219</b>	<b>373,995</b>	<b>530,917</b>	<b>594,128</b>	<b>596,885</b>	<b>596,885</b>	<b>680,421</b>	<b>744,731</b>	<b>848,039</b>
Electricity	189,518	221,129	277,377	350,140	345,298	345,298	413,253	476,449	571,364
Water	68,194	69,646	160,122	133,842	136,118	136,118	130,772	133,648	113,050
Waste water management	47,208	48,745	54,083	64,520	69,843	69,843	86,431	82,789	109,126
Waste management	29,299	34,474	39,335	45,626	45,626	45,626	49,965	51,846	54,500
<i><b>Other</b></i>	<b>7</b>	<b>–</b>	<b>181</b>	<b>–</b>	<b>3,000</b>	<b>3,000</b>	<b>15</b>	<b>17</b>	<b>19</b>
<b>Total Revenue - Standard</b>	<b>562,209</b>	<b>650,145</b>	<b>765,150</b>	<b>888,810</b>	<b>944,389</b>	<b>944,389</b>	<b>988,486</b>	<b>1,058,309</b>	<b>1,182,081</b>
<b>Expenditure - Standard</b>									
<i><b>Governance and administration</b></i>	<b>190,217</b>	<b>172,364</b>	<b>201,846</b>	<b>185,282</b>	<b>178,365</b>	<b>178,365</b>	<b>198,777</b>	<b>218,273</b>	<b>236,269</b>
Executive and council	86,050	36,210	38,875	29,070	25,717	25,717	27,211	28,134	29,828
Budget and treasury office	63,820	82,536	93,250	106,320	111,704	111,704	124,901	145,160	158,780
Corporate services	40,347	53,617	69,721	49,892	40,945	40,945	46,665	44,979	47,660
<i><b>Community and public safety</b></i>	<b>86,329</b>	<b>105,976</b>	<b>89,458</b>	<b>134,864</b>	<b>186,856</b>	<b>186,856</b>	<b>147,865</b>	<b>116,926</b>	<b>132,560</b>
Community and social services	11,775	13,911	16,116	17,493	19,607	19,607	18,181	17,655	18,381
Sport and recreation	15,377	15,602	15,881	18,302	18,918	18,918	18,545	18,643	19,340
Public safety	22,430	32,476	32,596	33,837	37,101	37,101	39,481	40,855	42,875
Housing	31,751	38,652	19,980	59,665	105,434	105,434	65,851	33,479	45,111
Health	4,996	5,337	4,885	5,567	5,797	5,797	5,807	6,295	6,852
<i><b>Economic and environmental services</b></i>	<b>72,728</b>	<b>88,057</b>	<b>114,272</b>	<b>110,592</b>	<b>118,532</b>	<b>118,532</b>	<b>118,290</b>	<b>111,726</b>	<b>114,475</b>
Planning and development	12,859	15,158	12,958	16,545	16,575	16,575	16,977	17,064	18,263
Road transport	57,796	69,879	93,122	86,609	94,305	94,305	97,829	90,992	92,350
Environmental protection	2,073	3,020	8,191	7,438	7,653	7,653	3,484	3,670	3,863
<i><b>Trading services</b></i>	<b>232,768</b>	<b>289,453</b>	<b>347,014</b>	<b>421,167</b>	<b>419,047</b>	<b>419,047</b>	<b>497,593</b>	<b>557,521</b>	<b>652,485</b>
Electricity	138,438	173,980	209,366	271,905	265,949	265,949	329,930	391,817	478,883
Water	43,263	54,037	67,423	76,490	70,849	70,849	78,741	76,836	79,949
Waste water management	29,665	35,752	40,897	44,675	50,032	50,032	53,244	53,266	56,168
Waste management	21,402	25,684	29,328	28,096	32,217	32,217	35,677	35,603	37,485
<i><b>Other</b></i>	<b>1,701</b>	<b>1,771</b>	<b>3,472</b>	<b>3,221</b>	<b>5,684</b>	<b>5,684</b>	<b>2,671</b>	<b>2,831</b>	<b>3,020</b>
<b>Total Expenditure - Standard</b>	<b>583,742</b>	<b>657,621</b>	<b>756,062</b>	<b>855,127</b>	<b>908,485</b>	<b>908,485</b>	<b>965,196</b>	<b>1,007,277</b>	<b>1,138,809</b>
<b>Surplus/(Deficit) for the year</b>	<b>(21,533)</b>	<b>(7,476)</b>	<b>9,088</b>	<b>33,684</b>	<b>35,904</b>	<b>35,904</b>	<b>23,291</b>	<b>51,032</b>	<b>43,272</b>

**Table 18 – A3: Budgeted Financial Performance by municipal vote**

Vote Description R thousand	2007/8	2008/9	2009/10	Current Year 2010/11			2011/12 Medium Term Revenue & Expenditure Framework		
	Audited Outcome	Audited Outcome	Audited Outcome	Original Budget	Adjusted Budget	Full Year Forecast	Budget Year 2011/12	Budget Year +1 2012/13	Budget Year +2 2013/14
<b>Revenue by Vote</b>									
Vote1 - Governance	132	177	106	11	22	22	26	26	26
Vote2 - Office of the City Manager	56	13	1	–	100	100	–	–	–
Vote3 - Corporate & Human Resources	2,022	1,995	2,597	2,579	2,684	2,684	3,396	1,402	1,384
Vote4 - Sustainable Dev. & City Enterprises	37,025	38,213	24,848	50,501	98,898	98,898	52,528	35,484	51,289
Vote5 - Health, Safety & Social Services	19,940	20,474	17,777	25,120	26,991	26,991	24,751	24,314	24,807
Vote6 - Procurement & Infrastructure	339,941	386,892	547,142	608,911	609,147	609,147	692,052	757,392	850,161
Vote7 - Treasury	163,093	202,381	172,678	201,688	206,547	206,547	215,732	239,692	254,415
<b>Total Revenue by Vote</b>	<b>562,209</b>	<b>650,145</b>	<b>765,150</b>	<b>888,810</b>	<b>944,389</b>	<b>944,389</b>	<b>988,486</b>	<b>1,058,309</b>	<b>1,182,081</b>
<b>Expenditure by Vote to be appropriated</b>									
Vote1 - Governance	84,581	34,647	36,717	26,803	21,803	21,803	24,492	25,274	26,812
Vote2 - Office of the City Manager	5,886	6,628	9,753	9,338	11,318	11,318	11,423	12,355	13,498
Vote3 - Corporate & Human Resources	33,349	40,921	36,418	39,337	44,718	44,718	45,906	44,019	47,381
Vote4 - Sustainable Dev. & City Enterprises	45,791	59,751	59,007	76,133	120,371	120,371	84,430	53,569	66,160
Vote5 - Health, Safety & Social Services	49,981	64,323	70,746	73,908	80,776	80,776	76,450	77,773	81,766
Vote6 - Procurement & Infrastructure	301,794	371,883	451,342	521,315	517,587	517,587	598,073	651,461	746,825
Vote7 - Treasury	62,361	79,469	92,078	108,294	111,912	111,912	124,422	142,825	156,367
<b>Total Expenditure by Vote</b>	<b>583,742</b>	<b>657,621</b>	<b>756,062</b>	<b>855,127</b>	<b>908,485</b>	<b>908,485</b>	<b>965,196</b>	<b>1,007,277</b>	<b>1,138,809</b>
<b>Surplus/(Deficit) for the year</b>	<b>(21,533)</b>	<b>(7,476)</b>	<b>9,088</b>	<b>33,684</b>	<b>35,904</b>	<b>35,904</b>	<b>23,291</b>	<b>51,032</b>	<b>43,272</b>

**Table 19 – A4: Budgeted Financial Performance by revenue source and expenditure type**

Description	2007/8	2008/9	2009/10	Current Year 2010/11				2011/12 Medium Term Revenue & Expenditure Framework		
	Audited Outcome	Audited Outcome	Audited Outcome	Original Budget	Adjusted Budget	Full Year Forecast	Pre-audit outcome	Budget Year 2011/12	Budget Year +1 2012/13	Budget Year +2 2013/14
<b>R thousand</b>										
<b>Revenue By Source</b>										
Property rates	89,606	100,329	108,050	122,344	123,724	123,724	123,724	139,499	145,711	154,460
Property rates - penalties & collection charges	1,413	1,567	1,322	1,960	1,960	1,960	1,960	1,435	1,521	1,612
Service charges - electricity revenue	183,021	212,534	267,034	336,526	328,526	328,526	328,526	398,479	472,397	566,360
Service charges - water revenue	61,229	62,936	72,430	82,415	85,415	85,415	85,415	95,316	98,667	101,327
Service charges - sanitation revenue	41,245	44,889	51,395	55,964	57,464	57,464	57,464	62,118	65,088	68,455
Service charges - refuse revenue	28,110	33,334	38,464	45,440	45,440	45,440	45,440	48,472	51,211	53,995
Service charges - other	57	10	8	10	10	10	10	10	10	11
Rental of facilities and equipment	2,128	1,857	1,819	1,830	1,795	1,795	1,795	1,800	1,870	1,901
Interest earned - external investments	36,250	29,781	14,673	11,161	12,461	12,461	12,461	5,250	6,770	7,300
Interest earned - outstanding debtors	5,082	5,003	4,127	2,612	2,612	2,612	2,612	3,170	3,322	3,320
Dividends received	-	-	-	-	-	-	-	-	-	-
Fines	4,863	10,167	3,759	11,580	11,980	11,980	11,980	13,253	13,461	13,600
Licences and permits	2,760	2,538	2,762	2,824	2,504	2,504	2,504	2,184	2,285	2,394
Agency services	4,902	4,956	5,120	5,028	5,191	5,191	5,191	5,695	6,197	6,547
Transfers recognised - operational	53,205	78,263	62,597	112,613	166,084	166,084	166,084	128,450	103,916	119,860
Other revenue	39,724	54,007	35,584	17,957	17,748	17,748	17,748	13,198	12,632	12,855
Gains on disposal of PPE	326	682	95	-	-	-	-	-	-	-
<b>Total Revenue (excluding capital transfers and contributions)</b>	<b>553,920</b>	<b>642,855</b>	<b>669,239</b>	<b>810,263</b>	<b>862,913</b>	<b>862,913</b>	<b>862,913</b>	<b>918,328</b>	<b>985,057</b>	<b>1,113,996</b>
<b>Expenditure By Type</b>										
Employee related costs	205,562	179,166	208,137	202,638	207,729	207,729	207,729	230,677	240,416	257,252
Remuneration of councillors	7,966	9,188	9,758	10,719	10,719	10,719	10,719	12,913	13,817	14,784
Debt impairment	2,239	6,770	13,946	5,000	5,000	5,000	5,000	11,476	10,300	10,500
Depreciation & asset impairment	40,367	60,791	79,913	88,048	92,385	92,385	92,385	92,452	84,187	78,667
Finance charges	27,338	36,066	47,342	60,489	55,989	55,989	55,989	59,085	59,680	60,192
Bulk purchases	88,881	119,763	151,841	192,000	192,030	192,030	192,030	249,284	309,925	393,600
Other materials	757	435	331	359	355	355	355	352	361	368
Contracted services	32,325	45,227	34,039	67,481	118,169	118,169	118,169	80,719	50,598	63,779
Transfers and grants	33,366	41,324	48,796	63,501	63,536	63,536	63,536	65,194	81,552	86,948
Other expenditure	144,941	156,545	159,491	164,892	162,573	162,573	162,573	163,043	156,440	172,719
Loss on disposal of PPE	-	2,345	2,467	-	-	-	-	-	-	-
<b>Total Expenditure</b>	<b>583,742</b>	<b>657,621</b>	<b>756,062</b>	<b>855,127</b>	<b>908,485</b>	<b>908,485</b>	<b>908,485</b>	<b>965,196</b>	<b>1,007,277</b>	<b>1,138,809</b>
<b>Surplus/(Deficit)</b>	<b>(29,822)</b>	<b>(14,766)</b>	<b>(86,822)</b>	<b>(44,864)</b>	<b>(45,571)</b>	<b>(45,571)</b>	<b>(45,571)</b>	<b>(46,867)</b>	<b>(22,220)</b>	<b>(24,813)</b>
Transfers recognised - capital	8,289	7,290	95,910	78,548	81,475	81,475	81,475	70,158	73,252	68,085
Contributions recognised - capital	-	-	-	-	-	-	-	-	-	-
Contributed assets	-	-	-	-	-	-	-	-	-	-
<b>Surplus/(Deficit) after capital transfers &amp; contributions</b>	<b>(21,533)</b>	<b>(7,476)</b>	<b>9,088</b>	<b>33,684</b>	<b>35,904</b>	<b>35,904</b>	<b>35,904</b>	<b>23,291</b>	<b>51,032</b>	<b>43,272</b>
Taxation	-	-	-	-	-	-	-	-	-	-
<b>Surplus/(Deficit) after taxation</b>	<b>(21,533)</b>	<b>(7,476)</b>	<b>9,088</b>	<b>33,684</b>	<b>35,904</b>	<b>35,904</b>	<b>35,904</b>	<b>23,291</b>	<b>51,032</b>	<b>43,272</b>
Attributable to minorities	-	-	-	-	-	-	-	-	-	-
<b>Surplus/(Deficit) attributable to municipality</b>	<b>(21,533)</b>	<b>(7,476)</b>	<b>9,088</b>	<b>33,684</b>	<b>35,904</b>	<b>35,904</b>	<b>35,904</b>	<b>23,291</b>	<b>51,032</b>	<b>43,272</b>
Share of surplus/ (deficit) of associate	-	-	-	-	-	-	-	-	-	-
<b>Surplus/(Deficit) for the year</b>	<b>(21,533)</b>	<b>(7,476)</b>	<b>9,088</b>	<b>33,684</b>	<b>35,904</b>	<b>35,904</b>	<b>35,904</b>	<b>23,291</b>	<b>51,032</b>	<b>43,272</b>

**Table 20 – A5: Budgeted Capital Expenditure by vote, standard classification and funding**

Vote Description	2007/8	2008/9	2009/10	Current Year 2010/11				2011/12 Medium Term Revenue & Expenditure Framework		
	Audited Outcome	Audited Outcome	Audited Outcome	Original Budget	Adjusted Budget	Full Year Forecast	Pre-audit outcome	Budget Year 2011/12	Budget Year +1 2012/13	Budget Year +2 2013/14
<b>R thousand</b>										
<b>Capital expenditure - Vote</b>										
<b>Multi-year expenditure to be appropriated</b>										
Vote1 - Governance	-	-	-	-	-	-	-	-	-	-
Vote2 - Office of the City Manager	-	-	-	-	-	-	-	-	-	-
Vote3 - Corporate & Human Resources	330	322	3	-	-	-	-	-	-	-
Vote4 - Sustainable Dev. & City Enterprises	16,740	542	677	500	-	-	-	-	11,700	12,000
Vote5 - Health, Safety & Social Services	7,096	(957)	1,792	1,000	-	-	-	3,600	20	70
Vote6 - Procurement & Infrastructure	221,802	(171,742)	(13,984)	62,400	57,473	57,473	57,473	120,697	108,760	84,995
Vote7 - Treasury	1,560	-	-	-	-	-	-	-	-	-
Example 15 - Vote15	-	-	-	-	-	-	-	-	-	-
<b>Capital multi-year expenditure sub-total</b>	<b>247,529</b>	<b>(171,835)</b>	<b>(11,513)</b>	<b>63,900</b>	<b>57,473</b>	<b>57,473</b>	<b>57,473</b>	<b>124,297</b>	<b>120,480</b>	<b>97,065</b>
<b>Single-year expenditure to be appropriated</b>										
Vote1 - Governance	-	-	-	-	-	-	-	-	-	-
Vote2 - Office of the City Manager	-	-	-	-	-	-	-	-	-	-
Vote3 - Corporate & Human Resources	-	1,687	484	3,602	812	812	812	2,834	440	370
Vote4 - Sustainable Dev. & City Enterprises	-	567,074	1,702	15,677	10,074	10,074	10,074	2,620	4,058	10,018
Vote5 - Health, Safety & Social Services	-	13,353	12,311	7,600	3,382	3,382	3,382	980	702	1,477
Vote6 - Procurement & Infrastructure	-	426,471	240,083	84,352	78,026	78,026	78,026	31,901	45,805	50,435
Vote7 - Treasury	-	195	-	50	750	750	750	280	200	-
<b>Capital single-year expenditure sub-total</b>	<b>-</b>	<b>1,008,780</b>	<b>254,580</b>	<b>111,281</b>	<b>93,044</b>	<b>93,044</b>	<b>93,044</b>	<b>38,615</b>	<b>51,205</b>	<b>62,300</b>
<b>Total Capital Expenditure - Vote</b>	<b>247,529</b>	<b>836,945</b>	<b>243,067</b>	<b>175,181</b>	<b>150,517</b>	<b>150,517</b>	<b>150,517</b>	<b>162,912</b>	<b>171,685</b>	<b>159,365</b>
<b>Capital Expenditure - Standard</b>										
<b>Governance and administration</b>	<b>12,102</b>	<b>558,266</b>	<b>531</b>	<b>300</b>	<b>920</b>	<b>920</b>	<b>920</b>	<b>1,630</b>	<b>1,000</b>	<b>40</b>
Executive and council	-	-	-	-	-	-	-	-	-	-
Budget and treasury office	1,560	195	-	50	750	750	750	280	200	-
Corporate services	10,542	558,071	531	250	170	170	170	1,350	800	40
<b>Community and public safety</b>	<b>20,968</b>	<b>24,827</b>	<b>16,144</b>	<b>24,879</b>	<b>14,048</b>	<b>14,048</b>	<b>14,048</b>	<b>9,084</b>	<b>16,610</b>	<b>23,785</b>
Community and social services	11,941	6,904	519	8,739	2,699	2,699	2,699	3,244	3,018	4,188
Sport and recreation	3,608	6,281	12,842	1,600	1,032	1,032	1,032	3,600	408	1,090
Public safety	2,165	5,504	1,252	3,750	2,300	2,300	2,300	80	134	447
Housing	2,734	5,735	1,530	10,790	8,017	8,017	8,017	2,160	13,050	18,060
Health	519	403	-	-	-	-	-	-	-	-
<b>Economic and environmental services</b>	<b>93,737</b>	<b>94,915</b>	<b>34,342</b>	<b>28,412</b>	<b>17,583</b>	<b>17,583</b>	<b>17,583</b>	<b>16,850</b>	<b>25,252</b>	<b>15,650</b>
Planning and development	2,570	354	332	-	-	-	-	-	-	100
Road transport	90,990	94,419	34,002	28,362	17,533	17,533	17,533	16,850	25,242	15,540
Environmental protection	177	143	8	50	50	50	50	-	10	10
<b>Trading services</b>	<b>120,722</b>	<b>158,937</b>	<b>192,050</b>	<b>121,590</b>	<b>117,966</b>	<b>117,966</b>	<b>117,966</b>	<b>135,348</b>	<b>128,823</b>	<b>119,890</b>
Electricity	20,332	56,488	48,576	55,290	57,248	57,248	57,248	57,369	29,935	36,545
Water	48,640	57,775	121,994	55,850	50,127	50,127	50,127	40,816	41,536	30,945
Waste water management	50,473	40,359	21,480	8,450	10,092	10,092	10,092	36,163	51,553	47,300
Waste management	1,277	4,315	-	2,000	500	500	500	1,000	5,800	5,100
<b>Other</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>
<b>Total Capital Expenditure - Standard</b>	<b>247,529</b>	<b>836,945</b>	<b>243,067</b>	<b>175,181</b>	<b>150,517</b>	<b>150,517</b>	<b>150,517</b>	<b>162,912</b>	<b>171,685</b>	<b>159,365</b>
<b>Funded by:</b>										
National Government	34,699	30,253	92,318	58,619	63,169	63,169	63,169	55,212	45,372	48,575
Provincial Government	35,819	34,390	3,592	19,929	18,107	18,107	18,107	14,946	27,880	19,510
District Municipality	7,546	-	-	-	200	200	200	-	-	-
Other transfers and grants	0	0	0	10,500	900	900	900	4,000	20,750	7,300
<b>Transfers recognised - capital</b>	<b>78,064</b>	<b>64,642</b>	<b>95,910</b>	<b>89,048</b>	<b>82,375</b>	<b>82,375</b>	<b>82,375</b>	<b>74,158</b>	<b>94,002</b>	<b>75,385</b>
<b>Public contributions &amp; donations</b>	<b>-</b>	<b>0</b>	<b>3,000</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>
<b>Borrowing</b>	<b>65,773</b>	<b>130,278</b>	<b>126,319</b>	<b>65,781</b>	<b>49,442</b>	<b>49,442</b>	<b>49,442</b>	<b>53,770</b>	<b>47,768</b>	<b>54,450</b>
<b>Internally generated funds</b>	<b>103,692</b>	<b>642,025</b>	<b>17,838</b>	<b>20,352</b>	<b>18,699</b>	<b>18,699</b>	<b>18,699</b>	<b>34,984</b>	<b>29,915</b>	<b>29,530</b>
<b>Total Capital Funding</b>	<b>247,529</b>	<b>836,945</b>	<b>243,067</b>	<b>175,181</b>	<b>150,517</b>	<b>150,517</b>	<b>150,517</b>	<b>162,912</b>	<b>171,685</b>	<b>159,365</b>

**Table 21 – A6: Budgeted Financial Position**

Description	2007/8	2008/9	2009/10	Current Year 2010/11				2011/12 Medium Term Revenue & Expenditure		
	Audited Outcome	Audited Outcome	Audited Outcome	Original Budget	Adjusted Budget	Full Year Forecast	Pre-audit outcome	Budget Year 2011/12	Budget Year +1 2012/13	Budget Year +2 2013/14
<b>R thousand</b>										
<b>ASSETS</b>										
<b>Current assets</b>										
Cash	12	17	20	22	22	22	22	25	28	32
Call investment deposits	276,145	192,871	145,821	86,195	227,940	202,471	202,471	155,971	131,891	99,085
Consumer debtors	48,432	60,395	77,184	69,000	69,000	69,000	69,000	77,184	77,184	77,184
Other debtors	20,929	25,636	61,935	27,717	27,717	27,717	27,717	21,000	27,723	27,832
Current portion of long-term receivables	9,068	900	802	1,100	537	537	537	560	947	–
Inventory	310,306	335,905	312,957	301,561	301,561	301,561	301,561	298,646	295,731	295,731
<b>Total current assets</b>	<b>664,892</b>	<b>615,724</b>	<b>598,719</b>	<b>485,595</b>	<b>626,776</b>	<b>601,307</b>	<b>601,307</b>	<b>553,386</b>	<b>533,504</b>	<b>499,865</b>
<b>Non current assets</b>										
Long-term receivables	4,767	4,273	3,497	3,285	2,763	2,763	2,763	740	–	–
Investments	–	–	–	–	–	–	–	–	–	–
Investment property	–	–	–	–	–	–	–	–	–	–
Investment in Associate	–	–	–	–	–	–	–	–	–	–
Property, plant and equipment	1,420,494	1,733,825	1,894,827	1,979,017	2,032,812	2,032,812	2,032,812	2,103,975	2,189,733	2,258,718
Agricultural	–	–	–	–	–	–	–	–	–	–
Biological	–	–	–	–	–	–	–	–	–	–
Intangible	3,586	1,527	1,608	800	2,042	2,042	2,042	2,538	1,688	838
Other non-current assets	–	–	–	–	–	–	–	–	–	–
<b>Total non current assets</b>	<b>1,428,847</b>	<b>1,739,625</b>	<b>1,899,932</b>	<b>1,983,101</b>	<b>2,037,617</b>	<b>2,037,617</b>	<b>2,037,617</b>	<b>2,107,253</b>	<b>2,191,421</b>	<b>2,259,556</b>
<b>TOTAL ASSETS</b>	<b>2,093,739</b>	<b>2,355,349</b>	<b>2,498,651</b>	<b>2,468,696</b>	<b>2,664,394</b>	<b>2,638,924</b>	<b>2,638,924</b>	<b>2,660,639</b>	<b>2,724,926</b>	<b>2,759,421</b>
<b>LIABILITIES</b>										
<b>Current liabilities</b>										
Bank overdraft	–	–	–	–	–	–	–	–	–	–
Borrowing	14,501	20,362	26,064	28,362	26,832	26,832	26,832	30,819	34,688	38,619
Consumer deposits	9,764	11,527	14,264	–	14,034	14,034	14,034	15,876	16,828	17,838
Trade and other payables	80,359	84,419	97,663	83,554	88,175	88,175	88,175	59,949	85,949	87,836
Provisions	12,867	19,936	22,794	–	24,162	24,162	24,162	24,858	26,399	28,107
<b>Total current liabilities</b>	<b>117,490</b>	<b>136,244</b>	<b>160,785</b>	<b>111,916</b>	<b>153,202</b>	<b>153,202</b>	<b>153,202</b>	<b>131,500</b>	<b>163,864</b>	<b>172,401</b>
<b>Non current liabilities</b>										
Borrowing	303,998	389,972	487,384	635,925	525,552	525,552	525,552	534,734	530,864	536,115
Provisions	258,211	63,706	75,962	421,955	72,047	72,047	72,047	82,838	87,974	93,668
<b>Total non current liabilities</b>	<b>562,210</b>	<b>453,678</b>	<b>563,346</b>	<b>1,057,879</b>	<b>597,599</b>	<b>597,599</b>	<b>597,599</b>	<b>617,572</b>	<b>618,839</b>	<b>629,783</b>
<b>TOTAL LIABILITIES</b>	<b>679,700</b>	<b>589,922</b>	<b>724,132</b>	<b>1,169,795</b>	<b>750,802</b>	<b>750,802</b>	<b>750,802</b>	<b>749,073</b>	<b>782,702</b>	<b>802,184</b>
<b>NET ASSETS</b>	<b>1,414,039</b>	<b>1,765,427</b>	<b>1,774,520</b>	<b>1,298,901</b>	<b>1,913,592</b>	<b>1,888,123</b>	<b>1,888,123</b>	<b>1,911,567</b>	<b>1,942,223</b>	<b>1,957,237</b>
<b>COMMUNITY WEALTH/EQUITY</b>										
Accumulated Surplus/(Deficit)	1,227,263	1,358,541	1,291,138	1,219,955	1,352,512	1,327,043	1,327,043	1,303,837	1,307,502	1,266,940
Reserves	186,776	406,886	483,381	78,947	561,080	561,080	561,080	607,730	634,721	690,297
Minorities' interests	–	–	–	–	–	–	–	–	–	–
<b>TOTAL COMMUNITY WEALTH/EQUITY</b>	<b>1,414,039</b>	<b>1,765,427</b>	<b>1,774,520</b>	<b>1,298,901</b>	<b>1,913,592</b>	<b>1,888,123</b>	<b>1,888,123</b>	<b>1,911,567</b>	<b>1,942,223</b>	<b>1,957,237</b>

**Table 22 – A7: Budgeted Cash Flow**

Description	2007/8	2008/9	2009/10	Current Year 2010/11				2011/12 Medium Term Revenue & Expenditure Framework		
	Audited Outcome	Audited Outcome	Audited Outcome	Original Budget	Adjusted Budget	Full Year Forecast	Pre-audit outcome	Budget Year 2011/12	Budget Year +1 2012/13	Budget Year +2 2013/14
<b>R thousand</b>										
<b>CASH FLOW FROM OPERATING ACTIVITIES</b>										
<b>Receipts</b>										
Ratepayers and other	455,604	502,961	483,315	682,777	681,756	658,695	658,695	754,678	841,058	949,510
Government - operating	53,205	78,263	62,597	123,113	171,835	166,084	166,084	128,450	103,916	119,860
Government - capital	8,289	7,290	95,910	54,798	75,725	81,475	81,475	70,158	73,252	68,085
Interest	41,332	30,468	18,800	13,773	15,073	14,979	14,979	8,306	9,972	10,501
Dividends	-	-	-	-	-	-	-	-	-	-
<b>Payments</b>										
Suppliers and employees	(413,580)	(436,258)	(472,153)	(735,837)	(685,575)	(690,720)	(690,720)	(736,489)	(771,057)	(902,002)
Finance charges	(27,338)	(31,750)	(47,342)	(60,489)	(55,989)	(55,989)	(55,989)	(59,085)	(59,680)	(60,192)
Transfers and Grants	(33,366)	(41,324)	(48,796)	(63,501)	(63,536)	(63,536)	(63,536)	(65,194)	(81,552)	(86,948)
<b>NET CASH FROM/(USED) OPERATING ACTIVITIES</b>	<b>84,146</b>	<b>109,649</b>	<b>92,332</b>	<b>14,634</b>	<b>139,289</b>	<b>110,990</b>	<b>110,990</b>	<b>100,824</b>	<b>115,909</b>	<b>98,813</b>
<b>CASH FLOWS FROM INVESTING ACTIVITIES</b>										
<b>Receipts</b>										
Proceeds on disposal of PPE	446	691	176	-	-	5,300	5,300	5,000	25,000	25,000
Decrease (Increase) in non-current debtors	-	-	-	9,296	49,296	-	-	-	-	-
Decrease (increase) other non-current receivables	5,110	325	873	2,865	2,865	52,161	52,161	511	435	359
Decrease (increase) in non-current investments	18,080	-	-	-	-	-	-	-	-	-
<b>Payments</b>										
Capital assets	(285,092)	(285,769)	(243,544)	(171,931)	(150,517)	(150,517)	(150,517)	(162,912)	(171,685)	(159,365)
<b>NET CASH FROM/(USED) INVESTING ACTIVITIES</b>	<b>(261,457)</b>	<b>(284,753)</b>	<b>(242,494)</b>	<b>(159,771)</b>	<b>(98,356)</b>	<b>(93,056)</b>	<b>(93,056)</b>	<b>(157,401)</b>	<b>(146,250)</b>	<b>(134,006)</b>
<b>CASH FLOWS FROM FINANCING ACTIVITIES</b>										
<b>Receipts</b>										
Short term loans	-	-	-	-	-	-	-	-	-	-
Borrowing long term/refinancing	92,722	107,443	125,200	65,781	65,000	65,000	65,000	40,000	40,000	40,000
Increase (decrease) in consumer deposits	69,775	-	-	550	550	550	550	899	953	1,010
<b>Payments</b>										
Repayment of borrowing	(10,752)	(15,609)	(22,086)	(24,362)	(24,362)	(26,832)	(26,832)	(30,819)	(34,688)	(38,619)
<b>NET CASH FROM/(USED) FINANCING ACTIVITIES</b>	<b>151,744</b>	<b>91,834</b>	<b>103,114</b>	<b>41,969</b>	<b>41,188</b>	<b>38,718</b>	<b>38,718</b>	<b>10,080</b>	<b>6,264</b>	<b>2,391</b>
<b>NET INCREASE/(DECREASE) IN CASH HELD</b>	<b>(25,567)</b>	<b>(83,269)</b>	<b>(47,048)</b>	<b>(103,168)</b>	<b>82,121</b>	<b>56,652</b>	<b>56,652</b>	<b>(46,496)</b>	<b>(24,077)</b>	<b>(32,802)</b>
Cash/cash equivalents at the year begin:	301,724	276,157	192,888	145,841	145,841	145,841	145,841	202,492	155,996	131,919
Cash/cash equivalents at the year end:	276,157	192,888	145,841	42,673	227,961	202,492	202,492	155,996	131,919	99,117

**Table 23 – A8: Cash backed reserves/accumulated surplus reconciliation****WC044 George - Table A8 Cash backed reserves/accumulated surplus reconciliation**

Description	Ref	2007/8	2008/9	2009/10	Current Year 2010/11				2011/12 Medium Term Revenue & Expenditure Framework		
		Audited Outcome	Audited Outcome	Audited Outcome	Original Budget	Adjusted Budget	Full Year Forecast	Pre-audit outcome	Budget Year 2011/12	Budget Year +1 2012/13	Budget Year +2 2013/14
<b>R thousand</b>											
<b>Cash and investments available</b>											
Cash/cash equivalents at the year end	1	276,157	192,888	145,841	42,673	227,961	202,492	202,492	155,996	131,919	99,117
Other current investments > 90 days		0	0	0	43,544	-	0	0	0	0	0
Non current assets - Investments	1	-	-	-	-	-	-	-	-	-	-
<b>Cash and investments available:</b>		<b>276,157</b>	<b>192,888</b>	<b>145,841</b>	<b>86,217</b>	<b>227,961</b>	<b>202,492</b>	<b>202,492</b>	<b>155,996</b>	<b>131,919</b>	<b>99,117</b>
<b>Application of cash and investments</b>											
Unspent conditional transfers		28,880	18,660	13,412	8,660	13,282	13,282	13,282	282	282	282
Unspent borrowing		26,949	4,115	2,996	-	18,554	18,554	18,554	4,784	-	-
Statutory requirements	2	-	-	-	-	-	-	-	-	-	-
Other working capital requirements	3	14,432	2,231	(22,563)	(9,720)	(9,138)	(1,815)	(1,815)	(35,430)	(15,760)	(14,446)
Other provisions		-	-	-	-	-	-	-	-	-	-
Long term investments committed	4	-	-	-	-	-	-	-	-	-	-
Reserves to be backed by cash/investments	5	101,074	77,514	80,524	78,947	89,546	89,546	89,546	94,991	99,210	107,897
<b>Total Application of cash and investments:</b>		<b>171,335</b>	<b>102,520</b>	<b>74,369</b>	<b>77,887</b>	<b>112,244</b>	<b>119,567</b>	<b>119,567</b>	<b>64,626</b>	<b>83,732</b>	<b>93,733</b>
<b>Surplus(shortfall)</b>		<b>104,823</b>	<b>90,368</b>	<b>71,472</b>	<b>8,330</b>	<b>115,718</b>	<b>82,926</b>	<b>82,926</b>	<b>91,370</b>	<b>48,188</b>	<b>5,384</b>

Table 24 – A9: Asset Management

Description	Ref	2007/8	2008/9	2009/10	Current Year 2010/11			2011/12 Medium Term Revenue & Expenditure Framework		
		Audited Outcome	Audited Outcome	Audited Outcome	Original Budget	Adjusted Budget	Full Year Forecast	Budget Year 2011/12	Budget Year +1 2012/13	Budget Year +2 2013/14
R thousand										
CAPITAL EXPENDITURE										
<b>Total New Assets</b>	1	244,942	292,037	212,714	171,241	146,615	146,615	134,511	131,745	106,465
Infrastructure - Road transport		82,614	114,599	45,176	22,950	13,909	13,909	6,050	20,172	7,450
Infrastructure - Electricity		17,585	42,788	46,558	54,312	56,670	56,670	55,799	21,075	27,000
Infrastructure - Water		49,535	54,686	76,863	40,950	41,179	41,179	21,166	33,786	25,895
Infrastructure - Sanitation		41,449	37,556	12,770	13,650	14,339	14,339	15,781	27,453	14,700
Infrastructure - Other		(3,597)	1,119	131	1,750	1,750	1,750	6,150	500	500
Infrastructure		187,586	250,749	181,498	133,612	127,847	127,847	104,946	102,985	75,545
Community		26,649	20,280	15,934	28,413	11,037	11,037	24,410	13,160	19,785
Heritage assets		-	-	-	-	-	-	-	-	-
Investment properties		-	-	-	-	-	-	-	-	-
Other assets	6	29,516	20,918	15,282	9,027	6,842	6,842	4,025	15,590	11,125
Agricultural Assets		-	-	-	-	-	-	-	-	-
Biological assets		-	-	-	-	-	-	-	-	-
Intangibles		1,191	90	-	189	889	889	1,130	10	10
<b>Total Renewal of Existing Assets</b>	2	2,587	(11,222)	30,352	3,940	2,200	2,200	28,401	39,940	52,900
Infrastructure - Road transport		-	(9,174)	(2,681)	-	-	-	2,000	5,000	8,000
Infrastructure - Electricity		2,185	(2,145)	242	900	700	700	3,100	7,800	8,400
Infrastructure - Water		402	(402)	28,681	1,500	1,500	1,500	4,000	3,450	3,450
Infrastructure - Sanitation		-	-	(0)	-	-	-	16,432	21,350	30,350
Infrastructure - Other		-	-	-	-	-	-	-	-	-
Infrastructure		2,587	(11,722)	26,242	2,400	2,200	2,200	25,532	37,600	50,200
Community		-	499	3,871	1,540	-	-	2,770	640	970
Heritage assets		-	-	-	-	-	-	-	-	-
Investment properties		-	-	-	-	-	-	-	-	-
Other assets	6	-	-	239	-	-	-	99	1,700	1,730
Agricultural Assets		-	-	-	-	-	-	-	-	-
Biological assets		-	-	-	-	-	-	-	-	-
Intangibles		-	-	-	-	-	-	-	-	-
<b>Total Capital Expenditure</b>	4									
Infrastructure - Road transport		82,614	105,425	42,496	22,950	13,909	13,909	8,050	25,172	15,450
Infrastructure - Electricity		19,770	40,642	46,800	55,212	57,370	57,370	58,899	28,875	35,400
Infrastructure - Water		49,937	54,284	105,544	42,450	42,679	42,679	25,166	37,236	29,345
Infrastructure - Sanitation		41,449	37,556	12,770	13,650	14,339	14,339	32,213	48,803	45,050
Infrastructure - Other		(3,597)	1,119	131	1,750	1,750	1,750	6,150	500	500
Infrastructure		190,173	239,027	207,740	136,012	130,047	130,047	130,478	140,585	125,745
Community		26,649	20,779	19,805	29,953	11,037	11,037	27,180	13,800	20,755
Heritage assets		-	-	-	-	-	-	-	-	-
Investment properties		-	-	-	-	-	-	-	-	-
Other assets		29,516	20,918	15,521	9,027	6,842	6,842	4,124	17,290	12,855
Agricultural Assets		-	-	-	-	-	-	-	-	-
Biological assets		-	-	-	-	-	-	-	-	-
Intangibles		1,191	90	-	189	889	889	1,130	10	10
<b>TOTAL CAPITAL EXPENDITURE - Asset class</b>	2	247,529	280,815	243,067	175,181	148,815	148,815	162,912	171,685	159,365
ASSET REGISTER SUMMARY - PPE (WDV)										
<b>Infrastructure - Road transport</b>	5	88,354	245,700	242,491	247,649	254,357	254,357	251,130	265,218	273,576
Infrastructure - Electricity		65,037	215,456	284,729	179,054	188,348	188,348	230,411	250,622	258,520
Infrastructure - Water		119,340	123,493	173,414	328,066	338,217	338,217	351,883	375,391	387,221
Infrastructure - Sanitation		97,389	137,559	145,994	207,913	207,301	207,301	235,835	272,992	281,594
Infrastructure - Other		95,000	93,131	125,024	223,653	231,157	231,157	225,696	217,599	224,456
Infrastructure		465,121	815,339	971,652	1,186,336	1,219,380	1,219,380	1,294,955	1,381,823	1,425,368
Community		99,901	131,774	128,010	140,714	135,273	135,273	164,894	171,880	177,296
Heritage assets		607	607	607	607	607	607	607	607	607
Investment properties		-	-	-	-	-	-	-	-	-
Other assets		854,865	786,105	794,558	651,359	677,552	677,552	643,519	635,423	655,447
Agricultural Assets		-	-	-	-	-	-	-	-	-
Biological assets		-	-	-	-	-	-	-	-	-
Intangibles		3,586	1,527	1,608	800	2,042	2,042	2,538	1,688	838
<b>TOTAL ASSET REGISTER SUMMARY - PPE (WDV)</b>	5	1,424,080	1,735,352	1,896,435	1,979,817	2,034,854	2,034,854	2,106,513	2,191,421	2,259,556
EXPENDITURE OTHER ITEMS										
<b>Depreciation &amp; asset impairment</b>		40,367	60,791	79,913	88,048	92,385	92,385	92,452	84,187	78,667
<b>Repairs and Maintenance by Asset Class</b>	3	61,666	54,262	52,446	60,925	61,248	61,248	65,113	64,806	74,628
Infrastructure - Road transport		22,894	17,431	18,864	18,280	17,785	17,785	19,340	19,650	24,020
Infrastructure - Electricity		12,430	11,395	7,175	9,476	9,006	9,006	10,076	10,621	11,514
Infrastructure - Water		8,800	6,770	6,292	7,211	6,463	6,463	7,680	7,935	8,612
Infrastructure - Sanitation		7,051	6,475	6,657	7,570	9,240	9,240	9,225	9,525	11,575
Infrastructure - Other		8	20	-	10	10	10	10	10	10
Infrastructure		51,183	42,091	38,988	42,547	42,503	42,503	46,331	47,741	55,731
Community		2,320	1,678	1,891	5,627	3,816	3,816	2,337	1,968	2,171
Heritage assets		-	-	-	-	-	-	-	-	-
Investment properties		-	-	-	-	-	-	-	-	-
Other assets	6, 7	8,163	10,494	11,567	12,751	14,929	14,929	16,445	15,097	16,726
<b>TOTAL EXPENDITURE OTHER ITEMS</b>		102,032	115,053	132,358	148,973	153,633	153,633	157,565	148,993	153,295
<b>% of capital exp on renewal of assets</b>										
<b>Renewal of Existing Assets as % of deprecn"</b>		1.1%	-3.8%	14.3%	2.3%	1.5%	1.5%	21.1%	30.3%	49.7%
<b>R&amp;M as a % of PPE</b>		6.4%	-18.5%	38.0%	4.5%	2.4%	2.4%	30.7%	47.4%	67.2%
<b>Renewal and R&amp;M as a % of PPE</b>		4.3%	3.1%	2.8%	3.1%	3.0%	3.0%	3.1%	3.0%	3.3%
<b>Renewal and R&amp;M as a % of PPE</b>		5.0%	2.0%	4.0%	3.0%	3.0%	3.0%	4.0%	5.0%	6.0%

**Table 25 – A10: Basic Service delivery measurement**

Description	2007/8	2008/9	2009/10	Current Year 2010/11			2011/12 Medium Term Revenue & Expenditure Framework		
	Outcome	Outcome	Outcome	Original Budget	Adjusted Budget	Full Year Forecast	Budget Year 2011/12	Budget Year +1 2012/13	Budget Year +2 2013/14
<b>Household service targets (000)</b>									
<b>Water:</b>									
Piped water inside dwelling	28	40	40	41	41	41	43	44	44
Piped water inside yard (but not in dwelling)	10								
Using public tap (at least min.service level)	4	3	5	5	5	5	5	5	5
Other water supply (at least min.service level)		0							
<i>Minimum Service Level and Above sub-total</i>	43	43	45	46	46	46	48	49	50
Using public tap (< min.service level)									
Other water supply (< min.service level)									
No water supply									
<i>Below Minimum Service Level sub-total</i>	–	–	–	–	–	–	–	–	–
<b>Total number of households</b>	<b>43</b>	<b>43</b>	<b>45</b>	<b>46</b>	<b>46</b>	<b>46</b>	<b>48</b>	<b>49</b>	<b>50</b>
<b>Sanitation/sewerage:</b>									
Flush toilet (connected to sewerage)	36	40	40	40	40	40	42	43	44
Flush toilet (with septic tank)		–							
Chemical toilet	5	3	5	6	6	6	6	6	6
Pit toilet (ventilated)		0	0						
Other toilet provisions (> min.service level)		0	0						
<i>Minimum Service Level and Above sub-total</i>	41	43	45	46	46	46	48	49	50
Bucket toilet	1								
Other toilet provisions (< min.service level)									
No toilet provisions									
<i>Below Minimum Service Level sub-total</i>	1	–	–	–	–	–	–	–	–
<b>Total number of households</b>	<b>43</b>	<b>43</b>	<b>45</b>	<b>46</b>	<b>46</b>	<b>46</b>	<b>48</b>	<b>49</b>	<b>50</b>
<b>Energy:</b>									
Electricity (at least min.service level)	3	2	2	2	2	2	2	2	2
Electricity - prepaid (min.service level)	33	34	35	35	35	35	37	37	37
<i>Minimum Service Level and Above sub-total</i>	35	37	36	37	37	37	38	39	39
Electricity (< min.service level)	7	6	9	9	9	9	9	10	11
Electricity - prepaid (< min. service level)									
Other energy sources									
<i>Below Minimum Service Level sub-total</i>	7	6	9	9	9	9	9	10	11
<b>Total number of households</b>	<b>43</b>	<b>43</b>	<b>45</b>	<b>45</b>	<b>46</b>	<b>46</b>	<b>48</b>	<b>49</b>	<b>50</b>
<b>Refuse:</b>									
Removed at least once a week	37	38	42	43	43	44	44	45	45
<i>Minimum Service Level and Above sub-total</i>	37	38	42	43	43	44	44	45	45
Removed less frequently than once a week									
Using communal refuse dump									
Using own refuse dump									
Other rubbish disposal									
No rubbish disposal	6	5	3	3	3	3	4	4	5
<i>Below Minimum Service Level sub-total</i>	6	5	3	3	3	3	4	4	5
<b>Total number of households</b>	<b>43</b>	<b>43</b>	<b>45</b>	<b>46</b>	<b>46</b>	<b>46</b>	<b>48</b>	<b>49</b>	<b>50</b>

Continue on next page....

**George Municipality – 2011/12 Annual Budget and MTREF**

Description	2007/8	2008/9	2009/10	Current Year 2010/11			2011/12 Medium Term Revenue & Expenditure Framework		
	Outcome	Outcome	Outcome	Original Budget	Adjusted Budget	Full Year Forecast	Budget Year 2011/12	Budget Year +1 2012/13	Budget Year +2 2013/14
<b><u>Households receiving Free Basic Service</u></b>									
Water (6 kilolitres per household per month)	34	39	33	33	33	33	35	38	40
Sanitation (free minimum level service)	10	12	14	15	15	15	15	16	17
Electricity/other energy (50kwh per household per month)	10	12	14	15	15	15	15	16	17
Refuse (removed at least once a week)	10	12	14	15	15	15	15	16	17
<b><u>Cost of Free Basic Services provided (R'000)</u></b>									
Water (6 kilolitres per household per month)	815	1,058	943	1,063	1,063	1,063	1,240	1,445	1,675
Sanitation (free sanitation service)	814	1,022	1,447	1,634	1,634	1,634	1,749	1,854	1,965
Electricity/other energy (50kwh per household per month)	216	290	382	438	438	438	533	565	598
Refuse (removed once a week)	610	823	1,086	1,293	1,293	1,293	1,384	1,467	1,555
<b>Total cost of FBS provided (minimum social package)</b>	<b>2,454</b>	<b>3,193</b>	<b>3,857</b>	<b>4,428</b>	<b>4,428</b>	<b>4,428</b>	<b>4,906</b>	<b>5,331</b>	<b>5,794</b>
<b><u>Highest level of free service provided</u></b>									
Property rates (R value threshold)									
Water (kilolitres per household per month)	6	6	6	6	6	6	6	6	6
Sanitation (kilolitres per household per month)									
Sanitation (Rand per household per month)	59	68	78	90	90	90	95	100	106
Electricity (kwh per household per month)	50	50	70	70	70	70	70	70	70
Refuse (average litres per week)	240	240	240	240	240	240	240	240	240
<b><u>Revenue cost of free services provided (R'000)</u></b>									
Property rates (R15 000 threshold rebate)									
Property rates (other exemptions, reductions and rebates)		25,048	27,883	29,556	29,556	29,556	31,329	33,209	35,201
Water	14,698	18,480	17,131	20,036	20,036	20,036	22,515	25,300	28,424
Sanitation	9,767	12,267	17,362	19,611	19,611	19,611	20,991	22,251	23,586
Electricity/other energy	2,588	3,477	6,417	7,361	7,361	7,361	8,948	9,485	10,054
Refuse	7,319	9,880	13,027	15,512	15,512	15,512	16,607	17,604	18,660
Municipal Housing - rental rebates		5,325	9,792	9,792	9,792	9,792	9,792		
Housing - top structure subsidies									
Other									
<b>Total revenue cost of free services provided (total social package)</b>	<b>34,371</b>	<b>74,477</b>	<b>91,612</b>	<b>101,868</b>	<b>101,868</b>	<b>101,868</b>	<b>110,183</b>	<b>107,848</b>	<b>115,925</b>

## **Part 2 – Supporting documentation**

### **2.1 - Disclosure on implementation of the MFMA & other applicable legislation**

#### **Municipal Finance Management Act – No 56 of 2003**

The MFMA became effective on 1<sup>st</sup> July 2004. The Act aims to modernise budget and financial management practices within the overall objective of maximising the capacity of municipalities to deliver services.

The MFMA covers all aspects of municipal finance including budgeting, supply chain management and financial reporting.

The various sections of the Act are phased in according to the designated financial management capacity of municipalities. George has been designated as a high capacity municipality. The MFMA is the foundation of the municipal financial management reforms which municipalities are implementing.

#### **The MFMA and the budget**

The following explains the budgeting process in terms of the requirements in the MFMA. It is based on National Treasury's guide to the MFMA.

### **2.2 – The budget preparation process**

#### **2.2.1 – Overview**

A central element of the reforms is a change to the way that municipalities prepare their budgets.

The MFMA requires a council to adopt three-year capital and operating budgets that take into account, and are linked to, the municipality's current and future development priorities (as contained in the IDP) and other finance-related policies (such as those relating to free basic service provision).

These budgets must clearly set out revenue by source and expenditure by vote over three years and must be accompanied by performance objectives for revenue and expenditure, a cash flow statement and particulars on borrowing, investments, municipal entities and service delivery agreements, grant allocations and details of employment costs.

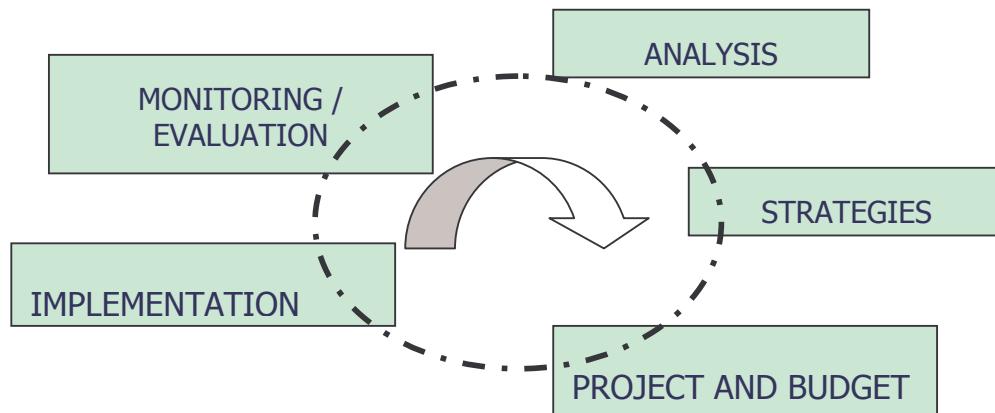
The budget may be funded only from reasonable estimates of revenue and cash-backed surplus funds from the previous year and borrowings (the latter for capital items only).

### 2.2.2 – Budget preparation timetable

The first step in the budget preparation process is to develop a timetable of all key deadlines relating to the budget and to review the municipality's IDP and budget-related policies.

The budget preparation timetable should be prepared by senior management and tabled by the mayor for council adoption ten months before the commencement of the next budget year.

The next diagram depicts the planning, implementation and monitoring process that is followed in George Municipality.



In terms of Section 21 of the MFMA the Mayor is required to table in Council ten months before the start of the new financial year a time schedule of key deadlines that sets out the process to revise the IDP and prepare the budget.

The following table provides a breakdown of the budgeted capital expenditure by classification:

**Table 26 – Schedule of Key Deadlines relating to the budget process**

<b>BUDGET / IDP: 2011/2012 – TIME TABLE OF KEY DEADLINES</b>			
<b>Month</b>	<b>BUDGET</b>	<b>IDP</b>	<b>Organisational Performance</b>
August 2010	<ul style="list-style-type: none"> <li>❖ Timetable of Key deadlines tabled at council. (MFMA Section 21)</li> <li>❖ Establishment of 2011/12 Budget Committee</li> <li>❖ Joint officials / councillors</li> </ul>	<ul style="list-style-type: none"> <li>❖ Timetable of Key IDP deadlines tables at Council (Process Plan Section 28 of the MSA)</li> </ul>	<ul style="list-style-type: none"> <li>❖ Compilation of Draft PMS Annual Report</li> <li>❖ Assessment of Section 57 employees</li> <li>❖ Monthly PMS Report to Senior Management</li> </ul>
September 2010	<ul style="list-style-type: none"> <li>❖ Produce outline Budget strategy document with high level estimates</li> <li>❖ First Budget Workshop</li> <li>❖ First meeting of Budget Committee</li> </ul>	<ul style="list-style-type: none"> <li>❖ Initial public consultation – Ward committees</li> </ul>	<ul style="list-style-type: none"> <li>❖ Compilation of PMS Annual Report</li> <li>❖ Monthly PMS Report to Senior Management</li> </ul>
October 2010	<ul style="list-style-type: none"> <li>❖ Initial consultation with Eden District, PAWC, Local municipalities &amp; National Government if required. (MFMA Section 21)</li> <li>❖ Budget related policies reviewed.</li> <li>❖ Budget instructions issued to Departments</li> <li>❖ Initial drafting of operating &amp; capital budget by departments</li> </ul>	<ul style="list-style-type: none"> <li>❖ Review the planning environment</li> <li>❖ Session with Eden DM</li> <li>❖ Documentation of changes</li> <li>❖ IDP steering Committee meets</li> </ul>	<ul style="list-style-type: none"> <li>❖ Quarter Reporting by Managers on implementation of SDBIP targets</li> <li>❖ Monthly PMS Report to Senior Management</li> </ul>
November 2010	<ul style="list-style-type: none"> <li>❖ Continued drafting and formulating of operating &amp; capital budget by departments</li> </ul>	<ul style="list-style-type: none"> <li>❖ Reconsider Strategies in the IDP</li> <li>❖ Documentation in line with recommendations by the Budget Committee</li> </ul>	<ul style="list-style-type: none"> <li>❖ Quarterly PMS Report to Council</li> <li>❖ Monthly PMS Report to Senior Management</li> </ul>
December 2010	<ul style="list-style-type: none"> <li>❖ Drafting of operating &amp; capital budget by departments</li> </ul>	<ul style="list-style-type: none"> <li>❖ Alignment of Strategies with Municipal KPA's</li> </ul>	<ul style="list-style-type: none"> <li>❖ Quarter Reporting by Managers on implementation of SDBIP targets</li> <li>❖ Monthly PMS Report to Senior Management</li> </ul>

January 2011	<ul style="list-style-type: none"> <li>❖ Operating &amp; Capital Budget considered by Budget Committee</li> </ul>	<ul style="list-style-type: none"> <li>❖ Projects I.D, by respective Departments</li> <li>❖ IDP Steering Committee meeting</li> </ul>	<ul style="list-style-type: none"> <li>❖ Review of KPI's</li> <li>❖ Mid-year Budget and Performance Assessment Report</li> <li>❖ 2nd Quarterly Report on SDBIP and budget implementation</li> <li>❖ Oversight Committee to consider annual report</li> <li>❖ Finalize Annual report and submit to Council</li> <li>❖ Half year review of Sec. 57 employees</li> </ul>
February 2011	<ul style="list-style-type: none"> <li>❖ Operating &amp; Capital Budget considered by Budget Committee</li> </ul>	<ul style="list-style-type: none"> <li>❖ IDP / Projects – input to Budget (<b>MSA Section 34</b>)</li> <li>❖ Documentation</li> <li>❖ Reconsider Departmental KPA's and targets</li> </ul>	<ul style="list-style-type: none"> <li>❖ Advertise Annual Report</li> <li>❖ Send Annual Report to Treasury</li> <li>❖ Monthly PMS Report to Senior Management</li> </ul>
March 2011	<ul style="list-style-type: none"> <li>❖ 30<sup>th</sup> Budget, revised IDP and amendments to budget</li> <li>❖ Related Policies tabled at Council &amp; made public (<b>MFMA Section 16 &amp; 22</b>)</li> <li>❖ <b>SDBIP's</b> finalised subject to consultation outcome.</li> <li>❖ Mayoral Committee considered Draft operating and capital budget</li> </ul>	<ul style="list-style-type: none"> <li>❖ Draft IDP and budget to Council</li> </ul>	<ul style="list-style-type: none"> <li>❖ Monthly PMS Report to Senior Management</li> </ul>
April 2011	<ul style="list-style-type: none"> <li>❖ Consultation &amp; Public meetings (<b>MFMA SECTION 21, 23, MSA ch4</b> as amended)</li> </ul>	<ul style="list-style-type: none"> <li>❖ Consultation &amp; Public meetings (<b>MSA SECTION 29(1)(b))</b></li> </ul>	<ul style="list-style-type: none"> <li>❖ Detailed project planning for next financial year</li> <li>❖ Monthly PMS Report to Senior Management</li> <li>❖ Finalise KPI's in IDP</li> </ul>

May 2011	<ul style="list-style-type: none"> <li>❖ Consider outcome of consultation (<b>MFMA Section 23</b>)</li> <li>❖ 31<sup>st</sup> Final Budget, revised IDP and Budget related policies agreed by Council (<b>MFMA Section 24</b>)</li> </ul>	<ul style="list-style-type: none"> <li>❖ Consider the outcome of the process</li> <li>❖ Documentation</li> <li>❖ 31<sup>st</sup> Final Budget, revised IDP and Budget related policies agreed by Council (<b>MSA Section 25(1)</b>)</li> </ul>	<ul style="list-style-type: none"> <li>❖ 3<sup>rd</sup> Quarterly PMS Report to Council</li> <li>❖ Detailed project planning for next financial year</li> <li>❖ Monthly PMS Report to Senior Management</li> </ul>
June 2011	<ul style="list-style-type: none"> <li>❖ 14<sup>th</sup> Draft SDBIP &amp; Draft performance agreement presented to Mayor. (<b>MFMA Section 69</b>)</li> </ul>	<ul style="list-style-type: none"> <li>❖ 10<sup>th</sup> Send copy of Reviewed Plan to the MEC</li> </ul>	<ul style="list-style-type: none"> <li>❖ Finalise detailed project planning.</li> <li>❖ Monthly PMS Report to Senior Management</li> </ul>

### **2.2.3 – Tabling of the draft budget**

The initial draft budget must be tabled by the mayor before council for review by 30 March.

Once tabled at council, the municipal manager must make public the appropriate budget documentation and submit it to both the National Treasury and the relevant provincial treasury and any other government departments as required. At this time, the local community must be invited to submit representations on what is contained in the budget.

The municipal budget was tabled before Council on 31 March 2011.

### **2.2.4 – Consultation with the community and key stakeholders**

When the draft budget is tabled, council must consider the views of the local community, the National Treasury and the relevant provincial treasury and other municipalities and government departments that may have made submissions on the budget.

The public participation meetings was held from 11 – 20 April 2011, within the wards of George. The overall objective of this roadshow was to ensure an authentic and inclusive public participation process for the IDP and budget.

The planning of the roadshows was driven by a steering committee constituted by politicians and officials from all Directorates. This committee provided guidance and feedback on areas that required improvement as the IDP and Budget Roadshows unfolded.

A report was compiled on the outcomes of these roadshows and are available on request.

### **Table 27 – IDP and Budget Roadshow Programme 2011/12**



# IDP/BUDGET ROADSHOWS

Notice is hereby issued in terms of section 22 of the Local Government: Municipal Finance Management Act (No: 56 of 2003) and section 21A of the Local Government: Municipal Systems Act (No: 32 of 2000) that both the Draft Budget and Reviewed Integrated Development Plan (IDP) of George Municipality for the financial year 2011/2012 will be available from 07 April - 29 April 2011 for public comments. Please note that road shows on IDP and Budget are also planned as part of the broader public participation process for the said documents.

Details are as follows:

- From 7 April to 29 April 2011 - Documents are available at the Civic Centre, York Street and all public libraries in the Municipality and Unlondale
- From 11-14 April 2011 and 18-20 April 2011 - Roll-out of the IDP/Budget Road show programme

The table on the right represents a detailed programme for the IDP/Budget Road Shows

DATE	WARD	WARD & AREAS	VENUE	DEPARTMENT	COUNCILLOR	TIME
11/04	WARD 8, 17	Parkdene, Conville	Conville Community Hall	IDP/FINANCE	Cllr B Petrus, Cllr D Maritz	19:00
	WARD 1, 2, 3, 16, 18 & 19	Heather Park, Heatherlands, Glen Berry, Dormehlsdrift, King George Park, Rooiviermiff, Bergsig, Loele Park, Geneva Fontein, Eden, Denver Park, George Central, Bos-en-Dal, Groenewelde Park, George South, George North, Denne-oord, Camphersdrift, Bo-dorp, Tweerivieren, Fernridge, Blommekloof, Blanco, Sinksbrug, Geelhoutsboom, Herolds Bay, Herold, Oubaai, Waboomskraal	Blanco Community Hall	IDP/FINANCE	Cllr S Bezuidenhout, Cllr I Kritzinger, Cllr C Neethling, Cllr T Botha, Cllr R Lendt, Cllr C Laws	19:00
12/04	WARD 9, 10, 11	Thembaletu	Thembaletu Community Hall	FINANCE	Cllr T Teyisi, Cllr J Thanda, Cllr F Kamte	19:00
	WARD 12, 13	Thembaletu	Thembaletu High School	IDP	Cllr F Guga, Cllr C Williams	19:00
13/04	WARD 14 & 15	Pacaltsdorp, New Dawn Park, Andersonville, Smartie Town, Sea View, Pacaltsdorp Europe, Ou Pacaltsdorp, Noordstraat, Harmony Park, Delville Park (Ward 15)	Pacaltsdorp Community Hall	IDP	Cllr H Jones, Cllr C Remas	19:00
	WARD 5, 6	Lavalla, Rosemoore, Convent Gardens, Urbansville	Rosemoore Community Hall	FINANCE	Cllr L Essau, Cllr A Jantjes	19:00
14/04	WARD 7, 20	Lawaakamp, Ballotsview, Maralskamp, Borchards	Lawaakamp Community Hall	FINANCE / IDP	Cllr F Ntonzini, Cllr M Mbuzwana	19:00
18/04	WARD 4	Wildemess, Touwsrante, Glenwood, Kleinkrantz	Touwsrante Community Hall	IDP	Cllr R Kruger	19:00
19/04	DMA	Unlondale	Unlondale Community Hall	FINANCE/IDP	To be confirmed	19:00
20/04	DMA	Haarlem	Haarlem Community Hall	FINANCE/IDP	To be confirmed	19:00

### **2.3 – Service Delivery and Budget Implementation Plan (SDBIP)**

The municipal manager must within fourteen days after the approval of the annual budget submit to the mayor for approval a draft service delivery and budget implementation plan and draft annual performance agreements for all pertinent senior staff.

A service delivery and budget implementation plan is a detailed plan for implementing the delivery of municipal services contemplated in the annual budget and should indicate monthly revenue and expenditure projections and quarterly service delivery targets and performance indicators.

The mayor must approve the draft service delivery and budget implementation plan within 28 days of the approval of the annual budget.

This plan must then be monitored by the mayor and reported on to council on a regular basis. The municipal manager is responsible for implementation of the budget and must take steps to ensure that all spending is in accordance with the budget and that revenue and expenditure are properly monitored.

Generally, councils may incur expenditure only if it is in terms of the budget, within the limits of the amounts appropriated against each budget vote – and in the case of capital expenditure, only if council has approved the project. Expenditure incurred outside of these parameters may be considered to be unauthorised or, in some cases, irregular or fruitless and wasteful. Unauthorised expenditure must be reported and may result in criminal proceedings.

The budget estimates can be revised through an adjustment budget. In terms of the Budget Regulations under Government Gazette No 32141, the following is stipulated for adjustments budget.

(2) The supporting documentation to accompany an adjustments budget in terms of section 28(5) of the Act must contain an explanation of how the adjustments budget is funded.

**Timeframes for tabling of adjustments budgets**

23. (1) An adjustments budget referred to in section 28(2)(b), (d) and (f) of the Act may be tabled in the municipal council at any time after the mid-year budget and performance assessment has been tabled in the council, but not later than 28 February of the current year.

(2) Only one adjustments budget referred to in subregulation (1) may be tabled in the municipal council during a financial year, except when the additional revenues contemplated in section 28(2)(b) of the Act are allocations to a municipality in a national or provincial adjustments budget, in which case subregulation (3) applies.

(3)<sup>13</sup> If a national or provincial adjustments budget allocates or transfers additional revenues to a municipality, the mayor of the municipality must, at the next available council meeting, but within 60 days of the approval of the relevant national or provincial adjustments budget, table an adjustments budget referred to in section 28(2)(b) of the Act in the municipal council to appropriate these additional revenues.

(4) An adjustments budget referred to in section 28(2)(c) of the Act must be tabled in the municipal council at the first available opportunity after the unforeseeable and unavoidable expenditure contemplated in that section was incurred and within the time period set in section 29(3) of the Act.

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<sup>13</sup> This subregulation is intended to ensure that additional revenues allocated to municipalities by national or provincial governments through an adjustments budget are approved for spending as soon as possible so as to minimise the possibility of underspending. In-year changes in agency payments and other revenues mentioned in subregulation 10(2)(c) may only be brought into a municipality's budget in an adjustments budget contemplated in subregulation 23(1).

(5) An adjustments budget referred to in section 28(2)(e) of the Act may only be tabled after the end of the financial year to which the roll-overs relate, and must be approved by the municipal council by 25 August of the financial year following the financial year to which the roll-overs relate.

(6)<sup>14</sup> An adjustments budget contemplated in section 28(2)(g) of the Act may only authorise unauthorised expenditure as anticipated by section 32(2)(a)(i) of the Act, and must be –

- (a) dealt with as part of the adjustments budget contemplated in subregulation (1); and
- (b) a special adjustments budget tabled in the municipal council when the mayor tables the annual report in terms of section 127(2) of the Act, which may only deal with unauthorised expenditure from the previous financial year which the council is being requested to authorise in terms of section 32(2)(a)(i) of the Act.<sup>15</sup>

#### **Submission of tabled adjustments budgets**

24. (1) The municipal manager must comply with section 28(7) of the Act, read together with section 22(b)(i) of the Act, within ten working days after the mayor has tabled an adjustments budget in the municipal council.

(2) When submitting the tabled adjustments budget to the National Treasury and the relevant provincial treasury in terms of section 28(7) of the Act, read together with section 22(b)(i) of the Act, the municipal manager must submit in both printed and electronic form –

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<sup>14</sup> Section 28(2)(g) of the Act requires a prescribed framework to regulate what other expenditure may be included in adjustments budgets that is not already covered by section 28(2)(a) to (f) of the Act. This subregulation is intended to provide such a framework.

<sup>15</sup> Any unauthorised expenditure not authorised by council must in terms of section 32(2)(a)(i) of the Act be recovered from the person liable for the expenditure unless it is certified as irrecoverable in terms of section 32(2)(a)(ii) of the Act.

## **2.4 – Alignment of Annual Budget with IDP**

Local priorities were identified as part of the IDP process which is directly aligned to that of national and provincial priorities.

The IDP strategic objectives and goals are set out in the IDP document.

The 2011/12 MTREF has therefore been directly informed by the IDP process and the following tables provide a reconciliation between the IDP strategic objectives and goals.

**Table 28 – SA4: Recociliation between IDP strategic objectives and budgeted operating revenue**

Strategic Objective	Goal	2007/8	2008/9	2009/10	Current Year 2010/11			2011/12 Medium Term Revenue & Expenditure Framework		
		Audited Outcome	Audited Outcome	Audited Outcome	Original Budget	Adjusted Budget	Full Year Forecast	Budget Year 2011/12	Budget Year +1 2012/13	Budget Year +2 2013/14
R thousand										
Sanitation	Basic Service Delivery And Infrastructure Investment	47,208	48,745	54,083	64,520	69,843	69,843	86,431	82,789	109,126
Water Services	Basic Service Delivery And Infrastructure Investment	68,194	69,646	160,122	133,842	136,118	136,118	130,772	133,648	113,050
Roads, Streets, Storm Water Drainage And Side Walks	Basic Service Delivery And Infrastructure Investment	4,817	12,132	15,956	14,783	12,262	12,262	11,631	12,661	2,122
Electricity	Basic Service Delivery And Infrastructure Investment	187,312	215,911	277,299	350,110	345,268	345,268	412,953	476,129	571,024
Street Lighting	Basic Service Delivery And Infrastructure Investment	2,206	5,219	78	30	30	30	300	320	340
Housing	Basic Service Delivery And Infrastructure Investment	28,117	34,446	12,528	45,589	94,122	94,122	50,120	32,754	48,567
Property Development	Basic Service Delivery And Infrastructure Investment	16,156	9,657	17,556	5,456	5,656	5,656	3,453	3,793	3,803
Public Safety And Law Enforcement	Basic Service Delivery And Infrastructure Investment	5,065	10,191	3,769	11,674	13,674	13,674	13,052	13,215	13,361
Road Transport And Safety	Basic Service Delivery And Infrastructure Investment	7,639	7,472	7,852	10,822	7,502	7,502	8,896	8,284	8,753
Environmental Health	Basic Service Delivery And Infrastructure Investment	5,787	28,095	1	2	2	2	1	1	1
Public Amenities	Basic Service Delivery And Infrastructure Investment	1,589	2,880	2,804	2,994	6,210	6,210	3,114	3,146	3,042
Waste Management	Basic Service Delivery And Infrastructure Investment	29,299	34,474	39,335	45,626	45,626	45,626	49,965	51,846	54,500
Sport Facilities And Development	Basic Service Delivery And Infrastructure Investment	396	180	3,036	2	2	2	2	2	2
Local Economic Development	Local Economic Development	111	13	334	536	–	–	–	–	–
Tourism	Local Economic Development	2	–	–	–	–	–	15	17	19
Financial Viability And Management	Municipal Financial Viability And Management	63,845	65,368	56,505	74,582	78,016	78,016	72,573	90,158	95,991
Revenue Enhancement	Municipal Financial Viability And Management	169	55	172	532	532	532	53	59	62
Credit Control	Municipal Financial Viability And Management	25	11	9	–	–	–	–	–	–
Valuations	Municipal Financial Viability And Management	91,389	102,215	109,706	124,494	125,874	125,874	141,102	147,416	156,242
Budget Formulation And Control	Municipal Financial Viability And Management	302	535	607	800	845	845	745	779	820
People Management And Empowerment	Municipal Transformation And Institutional Development	505	206	691	500	500	500	520	550	500
Administrative Support	Good Governance And Public Participation	1,323	1,400	1,623	417	598	598	535	369	374
Library Services	Good Governance And Public Participation	686	943	968	1,299	1,309	1,309	2,053	175	184
Intergrated Development Planning	Good Governance And Public Participation	1	200	110	200	400	400	200	200	200
Hiv/Aids	Good Governance And Public Participation	8	148	3	–	–	–	–	–	–
Targeted Groups	Good Governance And Public Participation	–	–	3	–	–	–	–	–	–
Internal Audit & Risk Management	Good Governance And Public Participation	56	2	1	–	–	–	–	–	–
Total Revenue (excluding capital transfers and contributions)		562,209	650,145	765,150	888,810	944,389	944,389	988,486	1,058,309	1,182,081

**Table 29 – SA5: Recociliation between IDP strategic objectives and budgeted operating expenditure**

Strategic Objective	Goal	2007/8	2008/9	2009/10	Current Year 2010/11			2011/12 Medium Term Revenue & Expenditure Framework		
		Audited Outcome	Audited Outcome	Audited Outcome	Original Budget	Adjusted Budget	Full Year Forecast	Budget Year 2011/12	Budget Year +1 2012/13	Budget Year +2 2013/14
R thousand										
Sanitation	Basic Service Delivery And Infrastructure Investment	28,759	34,868	39,967	43,687	49,093	49,093	52,209	52,166	54,975
Water Services	Basic Service Delivery And Infrastructure Investment	43,217	54,015	67,396	76,330	70,717	70,717	78,541	76,631	79,639
Roads, Streets, Storm Water Drainage And Side Walks	Basic Service Delivery And Infrastructure Investment	53,388	64,163	87,974	80,825	88,686	88,686	90,619	84,662	85,518
Electricity	Basic Service Delivery And Infrastructure Investment	138,386	173,881	209,088	271,860	265,904	265,904	329,885	391,768	478,833
Street Lighting	Basic Service Delivery And Infrastructure Investment	1,065	1,167	697	1,000	1,000	1,000	1,100	1,150	1,300
Housing	Basic Service Delivery And Infrastructure Investment	31,751	38,650	19,980	59,660	105,429	105,429	65,846	33,473	45,105
Property Development	Basic Service Delivery And Infrastructure Investment	11,256	17,450	39,397	16,961	14,475	14,475	17,879	17,799	18,597
Public Safety And Law Enforcement	Basic Service Delivery And Infrastructure Investment	23,089	33,911	33,923	35,143	38,524	38,524	40,665	42,117	44,221
Road Transport And Safety	Basic Service Delivery And Infrastructure Investment	3,312	4,545	4,447	4,764	4,599	4,599	6,080	5,140	5,487
Environmental Health	Basic Service Delivery And Infrastructure Investment	1,294	681	721	698	724	724	839	889	942
Public Amenities	Basic Service Delivery And Infrastructure Investment	19,681	21,474	25,419	26,555	31,020	31,020	25,113	25,781	26,951
Waste Management	Basic Service Delivery And Infrastructure Investment	21,387	25,636	29,328	28,062	32,191	32,191	35,651	35,577	37,459
Sport Facilities And Development	Basic Service Delivery And Infrastructure Investment	5,892	5,681	5,746	6,978	7,798	7,798	7,759	7,600	7,688
Local Economic Development	Local Economic Development	3,515	3,116	1,052	3,012	2,237	2,237	2,115	2,096	2,309
Tourism	Local Economic Development	1,009	1,157	1,396	1,961	1,961	1,961	2,101	2,260	2,420
Financial Viability And Management	Municipal Financial Viability And Management	45,861	59,522	68,866	80,135	85,709	85,709	93,681	114,317	125,487
Revenue Enhancement	Municipal Financial Viability And Management	7,938	8,493	9,316	10,570	10,568	10,568	12,354	13,094	14,324
Credit Control	Municipal Financial Viability And Management	2,431	2,838	3,256	3,167	3,247	3,247	3,618	3,806	4,070
Valuations	Municipal Financial Viability And Management	1,031	2,354	2,446	2,825	2,325	2,325	4,877	2,776	3,029
Budget Formulation And Control	Municipal Financial Viability And Management	1,177	2,289	2,483	2,827	2,869	2,869	2,747	2,915	3,100
Training And Capacity Building	Municipal Transformation And Institutional Development	2,091	1,687	754	1,200	931	931	1,210	1,311	1,712
Occupational Health And Safety	Municipal Transformation And Institutional Development	506	229	182	563	480	480	615	661	791
People Management And Empowerment	Municipal Transformation And Institutional Development	7,551	10,009	9,450	9,333	11,505	11,505	10,652	11,354	12,452
Administrative Support	Good Governance And Public Participation	115,055	73,418	76,193	69,035	57,927	57,927	59,119	57,737	60,784
Library Services	Good Governance And Public Participation	4,264	5,239	5,916	6,505	6,502	6,502	7,742	6,995	7,430
Intergrated Development Planning	Good Governance And Public Participation	673	1,058	895	1,187	1,353	1,353	1,170	1,236	1,304
Hiv/Aids	Good Governance And Public Participation	610	667	717	723	729	729	777	850	906
Targeted Groups	Good Governance And Public Participation	3,661	4,664	4,167	4,844	5,067	5,067	5,031	5,445	5,947
Internal Audit & Risk Management	Good Governance And Public Participation	3,890	4,759	4,890	4,715	4,915	4,915	5,200	5,670	6,030
		583,742	657,621	756,062	855,127	908,485	908,485	965,196	1,007,277	1,138,809

**Table 30 – SA6: Recociliation between IDP strategic objectives and budgeted capital expenditure**

Strategic Objective	Goal	Goal Code	2007/8	2008/9	2009/10	Current Year 2010/11			2011/12 Medium Term Revenue & Expenditure Framework		
			Audited Outcome	Audited Outcome	Audited Outcome	Original Budget	Adjusted Budget	Full Year Forecast	Budget Year 2011/12	Budget Year +1 2012/13	Budget Year +2 2013/14
R thousand											
Sanitation	Basic Service Delivery And Infrastructure Investment	A	50,473	40,359	21,480	8,450	10,092	10,092	36,163	51,553	47,300
Water Services	Basic Service Delivery And Infrastructure Investment	B	48,640	57,775	121,994	55,850	50,127	50,127	40,816	41,536	30,945
Roads, Streets, Storm Water Drainage And Side Walks	Basic Service Delivery And Infrastructure Investment	C	88,795	109,105	33,741	24,650	17,021	17,021	15,500	25,042	15,540
Electricity	Basic Service Delivery And Infrastructure Investment	D	20,332	39,587	46,800	55,290	57,248	57,248	57,369	29,935	36,545
Street Lighting	Basic Service Delivery And Infrastructure Investment	E	1,743	2,453	2,037	512	512	512	450	200	–
Housing	Basic Service Delivery And Infrastructure Investment	F	2,734	5,735	1,530	10,790	8,017	8,017	2,160	13,050	18,060
Property Development	Basic Service Delivery And Infrastructure Investment	G	14,007	561,528	516	5,387	2,057	2,057	460	2,708	3,858
Public Safety And Law Enforcement	Basic Service Delivery And Infrastructure Investment	H	2,165	5,556	1,252	3,750	2,300	2,300	80	134	447
Road Transport And Safety	Basic Service Delivery And Infrastructure Investment	I	452	189	–	3,200	–	–	900	–	–
Environmental Health	Basic Service Delivery And Infrastructure Investment	J	113	–	–	–	–	–	–	–	–
Public Amenities	Basic Service Delivery And Infrastructure Investment	K	1,077	1,462	3	3,083	413	413	2,784	490	380
Waste Management	Basic Service Delivery And Infrastructure Investment	L	1,277	4,260	–	2,000	500	500	1,000	5,800	5,100
Sport Facilities And Development	Basic Service Delivery And Infrastructure Investment	M	2,795	5,666	12,842	1,600	1,032	1,032	3,600	228	840
Local Economic Development	Local Economic Development	N	–	354	332	–	–	–	–	–	100
Tourism	Local Economic Development	O	–	–	–	–	–	–	–	–	–
Financial Viability And Management	Municipal Financial Viability And Management	P	1,560	195	–	50	750	750	280	200	–
Revenue Enhancement	Municipal Financial Viability And Management	Q	–	–	–	–	–	–	–	–	–
Credit Control	Municipal Financial Viability And Management	R	–	–	–	–	–	–	–	–	–
Valuations	Municipal Financial Viability And Management	S	–	–	–	–	–	–	–	–	–
Budget Formulation And Control	Municipal Financial Viability And Management	T	–	–	–	–	–	–	–	–	–
Training And Capacity Building	Municipal Transformation And Institutional Development	U	–	–	–	–	–	–	–	–	–
Occupational Health And Safety	Municipal Transformation And Institutional Development	V	–	–	–	–	–	–	–	–	–
People Management And Empowerment	Municipal Transformation And Institutional Development	W	–	–	–	–	–	–	–	–	–
Administrative Support	Good Governance And Public Participation	X	10,719	2,032	540	300	220	220	1,350	810	50
Library Services	Good Governance And Public Participation	Y	241	286	–	269	229	229	–	–	200
Intergrated Development Planning	Good Governance And Public Participation	Z	–	–	–	–	–	–	–	–	–
Hiv/Aids	Good Governance And Public Participation	AA	–	–	–	–	–	–	–	–	–
Targeted Groups	Good Governance And Public Participation	AB	406	403	–	–	–	–	–	–	–
Internal Audit & Risk Management	Good Governance And Public Participation	AC	–	–	–	–	–	–	–	–	–
			247,529	836,945	243,067	175,181	150,517	150,517	162,912	171,685	159,365

## **2.5 – Measurable Performance Objectives**

The schedules below sets out the measurable performance objectives that will be included in the departmental Service Delivery and Budget Implementation plans of the municipality. This must be approved by the Mayor within 28 days of the budget being approved by Council.

The annual target for each of the PI's will be developed for inclusion in the SDBIP. Progress on the performance targets must be reported on quarterly. The indicators show the targets for 2011/12.

Objectives, Goals, KPI's and Targets of the Municipality				
(Civil Engineering Services)				
Municipal Key Performance Area	IDP Goal/Objective	Key Performance Indicator	Base Line	Annual Targets
				2011/12
<i>MKPA 1: Sanitation</i>	To provide and maintain safe and sustainable sanitation management and infrastructure	Percentage of new sewerage connections provided within 1 week of application	95%	90%
		Percentage of sewerage blockages cleared within 48 hours	98%	98%
		Percentage of households with access to basic level of sewerage services	95%	98%
		% of sewerage purified to requirements of SANS (Green Drop)	95%	95%
<i>MKPA 2: Water Services</i>	To provide world class water services in George to promote development and fulfil basic needs	KPA – Percentage of households with access to basic level of water	95%	98%
		Percentage of new water connections within 1 week of application	90%	90%
		% of water losses through network	10%	10%
		% of water losses through purification	10%	10%
		% of pipe bursts repaired within 48 hours	98%	98%
		Replacement of water meters	800	800
		% of water purified to meet SANS requirements	95%	95%
		Replacement of water mains	4400	1000
<i>MKPA 3: Roads Streets, Storm water drainage and Sidewalks</i>	To provide and maintain storm water infrastructure to ensure a safe environment and prevent flooding	% of households with access to storm water services	75%	90%
		% of manholes cleared from debris	30%	30%

<b>Objectives, Goals, KPI's and Targets of the Municipality</b>				
<b>(Civil Engineering Services)</b>				
<b>Municipal Key Performance Area</b>	<b>IDP Goal/Objective</b>	<b>Key Performance Indicator</b>	<b>Base Line</b>	<b>Annual Targets</b>
				<b>2011/12</b>
<i>MKPA 4: Transport Planning &amp; Traffic Engineering</i>	To provide world class transport routes and functional streets safe for all modes of transport	m <sup>2</sup> of gravel streets upgraded to permanent surface	8000	8000
		Km of tarred roads resealed	7	6
<i>KPA 30: People Management and Empowerment</i>	Effective management of the Civil and Technical Services Department	% of approved capital projects completed within time	85%	95%
		% of council decisions applicable to department implemented	80%	98%
<i>KPA 20: Financial viability and management</i>		% of land development applications commented on within 14 days	80%	90%
		% of building plan applications commented on within 14 days	90%	90%
		% of master plans approved: WSDP/Water & Sewerage/Roads master plan: Ones in 5 Years	100%	90%

Objectives, Goals, KPI's and Targets of the Municipality					
(Department: Electro Technical Services)					
Municipal Key Performance Area	IDP Goal/Objective	Key Performance Indicator	Base Line	Annual Targets	
				2011/12	
KPA 5: Electricity	Effective management of the Dept: Electrotechnical	% of planned capital budget spending	80%	90%	
		% of approved capital projects completed within time	80%	95%	
		% of council decisions applicable to department actioned	80%	98%	
		Total system losses	<12%	<12%	
KPA 6: Street lightning		Electricity master plan updated and aligned with budget & IDP	90%	95%	
		3 Year capital budget aligned with master plans and IDP to address immediate needs	90%	95%	
		Quality of service	90%	90%	
		Quality of supply	90%	90%	
		KPA 7: Traffic Lights	Preventative maintenance programmes in place and active	70%	70%
To distribute electricity to all residents in George			KPA – Percentage of households in informal areas with access to basic level of electricity. (subject to availability of funds)	90%	95%
			Percentage of new informal areas supplied with electricity as planned (subject to availability of funds)	90%	95%
	Mechanical services	Fleet Management system to manage & replace units economically	85%	90%	
	Safety	Number of fatal workplace incidents	0	0	

<b>Objectives, Goals, KPI's and Targets of the Municipality</b>				
<b>(Department: Environmental Affairs)</b>				
<b>Municipal Key Performance Area</b>	<b>IDP Goal/Objective</b>	<b>Key Performance Indicator</b>	<b>Base Line</b>	
				<b>2011/12</b>
<i>KPA 14: Environmental Health</i>	To provide effective provision of municipal environmental health services as determined by the NHA	Number of complaints received	600	600
		Percentage of complaints addressed	90%	90%
		Number of environmental health information sessions held	8	6
<i>KPA 15: Public Amenities</i>	Maintain and control public amenities and areas to promote a safe and healthy environment	Number of person hours spend on cleaning public toilets	72000	26000
		Weed control in cemeteries	263ha	264ha
		Number of person hours spend on cleaning of beaches	3950	3950
		Number of overnight stays at Harolds Bay camp site	1458	1458
		Hectares of alien vegetation cleared	50	50
		Hectares of grass cut/ month	2700	2700
		Number of trees planted	2000	300
<i>KPA 16: Waste Management</i>	To provide an integrated waste management service for the total municipal area	% total waste recycled	1200t	1200t
		Tons of household refuse collected (transfer station)	31000	31400
		Number of person hours spend cleaning streets	320000	320000
<i>KPA 30: People Management and Empowerment</i>	Effective management of the Environmental Affairs Department	KPA: % of Capital budget spent	90%	95%
		KPA – The number of people from employment equity target groups employed in compliance with the approved employment equity plan	90%	90%
<i>KPA 20: Financial viability and management</i>		Number of new appointees inline with employment equity plan	90%	90%
<i>KPA 17: Sport facilities and Development</i>	To develop, improve and manage municipal sport facilities and facilitate sport activities in the Municipality	Number of signed contracts with sport clubs	6	7
		Number of Municipal sport facilities that are wheelchair friendly	8	8

<b>Objectives, Goals, KPI's and Targets of the Municipality</b>				
<b>(Department: Community Safety)</b>				
<b>Municipal Key Performance Area</b>	<b>IDP Goal/Objective</b>	<b>Key Performance Indicator</b>	<b>Base Line</b>	<b>Annual Targets</b>
				<b>2011/12</b>
<i>KPA 12: Public Safety and Law Enforcement</i>	To reduce and effectively extinguish fires in the Municipality	Number of fires attended.	30	25
		Average reaction time attending to fires – urban	8-9minutes	7-8minutes
		Average reaction time attending to fires – rural.	20 minutes	18 minutes
		Number of fire prevention inspections conducted	350	360
		Training of staff in fire fighting	16	18
	To promote and improve road safety in the Municipality	Number of road traffic accidents (deaths/major/minor)	800	780
		Number of moving violations	24000	2600
		Number of taxi violations	6000	5000
		Number of defects on vehicles	Number of defects on vehicles	Number of defects on vehicles
		Number of road safety educational events held	10	12
	To control stray animals	Number of arrests	400	450
		Number of prosecutions of owners of stray animals	20	20
		Number of animals impounded	100	100
	To develop, update and implement the Municipal Disaster Management Plan	Disaster management plan in place. Revision of disaster management plan	1	1
	To effectively enforce municipal by-laws and regulations	Number of by-laws offences / number of arrests	1000	1200
<i>KPA 13: Road Transport</i>	To ensure road safety through the regulation and control of road transport	Number of applicants tested for drivers licences.	12800	13000
		Number of applicants tested for learners licences	15000	15000
		Number of drivers licences renewals	14000	14200
		Number of vehicle registrations processed	61000	61000
		Evacuation exercises	10	10

<b>Objectives, Goals, KPI's and Targets of the Municipality</b>				
<b>Department: Planning and Housing</b>				
<b>Municipal Key Performance Area</b>	<b>IDP Goal/Objective</b>	<b>Key Performance Indicator</b>	<b>Base Line</b>	<b>Annual Targets</b>
				<b>2011/12</b>
<i>KPA 8: Housing</i>	To provide for the needs of the homeless by providing safe and integrated human settlements	Number of new low cost housing units build (targets are subject to the timeous awarding of tender.)	130	400
		Number of creches maintained and upgraded	300	1200
		Number of new community halls built	150	400
		Quality control on number of housing units	1	1
		Number of routine land management inspections in nformal areas	4	2
		Number of hot spots land management inspections in informal areas	1	1
		Number of rudimentary land management inspections in informal areas	528	528
		Completion of final delivery forms	1680	1680
		Transfer documentation	528	528

<b>Objectives, Goals, KPI's and Targets of the Municipality</b>				
<b>Department: Planning and Housing</b>				
<b>Municipal Key Performance Area</b>	<b>IDP Goal/Objective</b>	<b>Key Performance Indicator</b>	<b>Base Line</b>	<b>Annual Targets</b>
				<b>2011/12</b>
<i>KPA 9: Spatial Planning</i>	To achieve development in a sustainable manner while preserving the environment and making provision for sustainable growth and development	Address all illegal buildings:% of action taken in relation to all complaints received	550	200
		Planning of the Metro Grounds	75%	75%
		Planning of Airport Corridor	0	x1 Plan submitted to Committee
		Compilation and grading of Heritage Inventory	0	x1 Plan submitted to Committee
		Planning of Western Part of Pacaltsdorp Industrial area	0	x1 Heritage Inventory submitted to Committee
		Development of Hans Moes Kraal Precinct Plan	0	x1 Plan submitted to Committee
		Completion of the Spatial Development Plans (SDPs) identified in George	0	x1 Plan submitted to Committee
		Successful processing of land use applications:To complete all land use applications within 6 months after submission with at least 75% applications completed per month	75%	75%
		Percentage of building plans approved within 8 weeks or 30 days (whichever is applicable) minus delays caused by applicants or other authorities	75%	75%

<b>Objectives, Goals, KPI's and Targets of the Municipality</b>				
<b>(Department: Financial Services)</b>				
<b>Municipal Key Performance Area</b>	<b>IDP Goal/Objective</b>	<b>Key Performance Indicator</b>	<b>Base Line</b>	<b>Annual Targets</b>
				<b>2011/12</b>
<i>KPA 20: Financial viability and management</i>	To measure Financial viability as expressed in the ratios prescribed in the Planning and Performance Management Regulations, 2001	Annual Financial Statements	1 Set of audited financial statements	1
	To comply and implement the supply chain management regulations	Supply Chain Management report	4	4
	To develop and implement appropriate financial related policies for the Municipality	Cash Management and Investment Policy	1	1
	To ensure that 100% of the municipal employees and Councillors receive their salaries correctly every month	Payment of Salaries	100%	100%
		Salary related deductions	100%	100%
	To ensure that the Municipality's banking is 100% in line with the requirements of the MFMA.	Number of Bank Reconciliation	12	12
		Daily Banking	100%	100%
	To perform proper internal auditing of the municipality	Quarterly meetings of and report to Audit Committee, Agenda distributed 7 working days in advance of meeting. Risk based audit plan completed / review before 30 June 2011 and quarterly audit of performance information (MM)	12 Meetings	12 Meetings
<i>KPA 21: Revenue enhancement</i>	Maintaining a sound revenue base for the Municipality	Billing prior to last working day of the month	100%	100%
		Billing rate	100%	100%
		Owner Property Updated	95%	95%
		Correctness of billing	95%	95%
		Accurate meter readings	98%	98%

<b>Objectives, Goals, KPI's and Targets of the Municipality</b>				
<b>(Department: Financial Services)</b>				
<b>Municipal Key Performance Area</b>	<b>IDP Goal/Objective</b>	<b>Key Performance Indicator</b>	<b>Base Line</b>	<b>Annual Targets</b>
				<b>2011/12</b>
<i>KPA 22: Credit Control</i>	To maintain effective credit control in the Municipality	Credit control: Referral to Engineers	100%	100%
		Handing-over of Debtors	100%	100%
		Credit control: Trend	98%	98%
		Payment of Creditors within 30 days	100%	100%
		Sound, authorised expenditure	100%	100%
<i>KPA 23: Financial Reporting</i>	To improve the financial system to accommodate the reporting requirements of government	Number of Treasury Reports	12 Annually	12
		Number Quarterly Reports	4 Annually	4
		Performance Evaluation Report	1 Annually	1
		Annual report of Department	1 Annually	1
		Unresolved audit queries (MM)	0%	0%
		Section 71 Budget monitoring report submitted to the Mayor 10 working days after end of each month (MM)	12 per year	12
		Compliance with MFMA Reporting requirements (MM)	100%	100%
<i>KPA 24: Valuations</i>	To ensure full implementation of the property rates Act	Percentage of Ad-hoc valuations	100%	100%
		Number of interim Valuations	Quarterly	4
<i>KPA 25: Risk Management</i>	Facilitate proper risk management in the Municipality	Risk Management: Insurance claims	Quarterly	4
		Risk assessment and Risk Policy	Quarterly	4
<i>KPA 26: Asset management</i>	To manage and control all assets in the Municipality in a cost effective way to provide a continues service to the public	Updated asset register: purchases	1 updated register	1
		Asset Management: Depreciation	Monthly depreciation	12

<b>Objectives, Goals, KPI's and Targets of the Municipality</b>				
<b>(Department: Financial Services)</b>				
<b>Municipal Key Performance Area</b>	<b>IDP Goal/Objective</b>	<b>Key Performance Indicator</b>	<b>Base Line</b>	<b>Annual Targets</b>
				<b>2011/12</b>
<i>KPA 27: Budget Formulation and control</i>	To compile the annual budget according to the MFMA and relevant legislation	1 Adopted draft budget before end of March each year	1 Draft Budget	1 Draft Budget
		Adopted budget before end of May each year	1 Budget	1 Budget
		KPA – Percentage of capital budget actually spent on capital projects	100%	100%
		Monthly Balancing of the General ledger	12	12
		% of Capital budget spent (MM)	90%	90%
		Over expenditure on operational budget (MM)	0%	0%

<b>Objectives, Goals, KPI's and Targets of the Municipality</b>				
<b>(Department: Municipal Manager)</b>				
<b>Municipal Key Performance Area</b>	<b>IDP Goal/Objective</b>	<b>Key Performance Indicator</b>	<b>Base Line</b>	<b>Annual Targets</b>
				<b>2011/12</b>
<i>KPA 35: Integrated Development Planning</i>	To ensure effective integrated development planning and performance management in the municipality	IDP Reviewed and adopted	1 Process Plan	1
			Session with Ward Committees	20
			Revision of annual targets	1
			Draft IDP Document	1
			Road shows in 20 Wards	20
			Final adopted IDP	1
<i>KPA 36: Performance Management</i>		Organisational PMS implementation	Isolomzi Electronic System	1
			Capturing all capital projects	150
			Reporting on Isolomzi	1
<i>KPA 37: Communication</i>	Effective internal and external communication in the Municipality	Number of internal newsletters	4 (1 p/quarter)	4
		Number of external newsletters	12	4
		Report on the updating and maintenance of the municipal website	0	1
		Publishing of Fokus-op	24	6
	To ensure effective publicity, marketing and branding of the Municipality	Promotional items distributed	2000	2500
		Marketing (Promotional) articles in publications	4 Articles in publications	48

<b>Objectives, Goals, KPI's and Targets of the Municipality</b>				
<b>(Department: Municipal Manager)</b>				
<b>Municipal Key Performance Area</b>	<b>IDP Goal/Objective</b>	<b>Key Performance Indicator</b>	<b>Base Line</b>	<b>Annual Targets</b>
				<b>2011/12</b>
<i>KPA 38: Intergovernmental Relations</i>	Proper intergovernmental and international relations	Number of international interventions	4	5
		Establish functional sister city agreements	4	4
		Delegations to visit selected Sister Cities internationally	4	5
		Joint functions taken place	9	9
		Attendance of meetings convened by National and Provincial Government and District Municipality requiring attendance of Municipal Manager (MM)	100	100
	Establish and Support after care centres in the Municipality	Number of centres supported	1	2

Objectives, Goals, KPI's and Targets of the Municipality				
(Department: Municipal Manager - Internal Audit)				
Municipal Key Performance Area	IDP Goal/Objective	Key Performance Indicator	Base Line	Annual Targets
				2011/12
<i>KPA 41: Internal Audit and Risk Management</i>	To evaluate the effectiveness of the internal audit section	Compilation of 3 year Internal Audit Plan based on Risk Assessment	1 Internal Audit Plan (incorporating audit programs for 3 years)	1
		Approval of Internal Audit Plan by Audit Committee	1 Approved Internal Audit Plan	1
		Execution of Internal Plan and issuing of Internal Audit Reports based on Internal Audit Plan	Internal Audit Reports planned to be issued / Hours budgeted for execution of Internal Audit Plan.	100% internal audit effort against plan
			(Baseline: Internal Audit Plan)	
		Monthly reporting by Internal Audit Section on Internal Audit Reports issued to the Internal Audit Steering Committee	Monthly meetings	10-Dec
			(Base line: Minutes of meetings)	
	To evaluate the effectiveness of risk management, control and governance processes	Quarterly reporting on Internal Audit Reports issued to the Audit Committee	Quarterly meetings	4
			(Base line: Minutes of meetings)	
		Facilitation of annual review of the Risk Management Policy	Risk Management Policy	1
			(Base line: Memorandum / Minutes / Report	

<b>Objectives, Goals, KPI's and Targets of the Municipality</b>				
<b>(Department: Municipal Manager - Internal Audit)</b>				
<b>Municipal Key Performance Area</b>	<b>IDP Goal/Objective</b>	<b>Key Performance Indicator</b>	<b>Base Line</b>	<b>Annual Targets</b>
				<b>2011/12</b>
	To evaluate the effectiveness of risk management, control and governance processes	Facilitation of the annual review and update of the risks in the Risk Register by departments	Risk Register	1
			(Base line: Report)	
		Facilitation of compilation of new Risk Treatment Plans by departments for all risks as per the Risk Register	Risk Treatment Plans	Facilitation of compilation of Risk Treatment Plans for all
			(Base line: Report)	(100%) identified risks.
	Facilitation of implementation and monitoring of Risks and Risk Treatment Plans by departments	Review of existing Risk Treatment Plans (High Rated Risks) for effective design	Risk Treatment Plans	100% review of existing Risk Treatment Plans for all High Rated Risks.
			(Base line: Report)	
		Risk Register and Risk Treatment Plans discussed at departmental meetings (standing agenda point)	Monthly minutes by each department	Monthly minutes by each department
			(Base line: Minutes of Risk Management agenda point of each department)	(12 minutes x 7 departments = 84 monthly minutes)
		Base line: Assessed, summarised and reported on by Internal Audit to Internal Audit Steering Committee and Audit Committee	(12 minutes x 8 departments = 96 monthly minutes)	Reporting on 100% of extracts from minutes received
			Reporting on 100% of extracts from minutes received	

<b>Objectives, Goals, KPI's and Targets of the Municipality</b>				
<b>(Department: Corporate &amp; Social Services)</b>				
<b>Municipal Key Performance Area</b>	<b>IDP Goal/Objective</b>	<b>Key Performance Indicator</b>	<b>Base Line</b>	<b>Annual Targets</b>
				<b>2011/12</b>
<i>KPA 18: Local Economic Development</i>	To create and facilitate an enabling environment for Economic Development in the Municipality	Revision of Economic Development Strategy	0	1
		Functioning George Economic Forum - establishment and number of meetings	0	2
		Arts and Craft Showcase (Market access for persons in Art & Craft programme)	1	1
		CBD Trading space for Art & Crafts	0	1
		Providing support and assistance to potential high growth industries - Aquaculture assistance through intergovernmental relationships and blanket EIA	0	1
		Entrepreneurs week (Dependant on SEDA partnership)	1	1
		Industry Skills Audit and Gap Analysis	1	1
		Execution of Investment Incentive Marketing action plan (Marketing material, website, online campaign)	0	1
		EPWP Co-ordination across all municipal functions - number of Task Team meetings	2	6
	To create and maintain an economic development database	Review and update database management tools utilised	0	1

<b>Objectives, Goals, KPI's and Targets of the Municipality</b>				
<b>(Department: Corporate &amp; Social Services)</b>				
<b>Municipal Key Performance Area</b>	<b>IDP Goal/Objective</b>	<b>Key Performance Indicator</b>	<b>Base Line</b>	<b>Annual Targets</b>
				<b>2011/12</b>
<i>KPA 19: Tourism</i>	Promoting tourism & tourism development in George	Attend National and Local Marketing events	1	4
		Attend or ensure representation of George at International Tourism Trade Shows	1	2
		Ensure regular review and update of brochures	1	2
		No. of quarterly reports indicating progress in terms of programme to be submitted	0	4
		At least bi-monthly meetings with tourism trade	2	6
<i>KPA 28: Training and Capacity Building</i>	To facilitate training and development of employees and councillors	Number of Departmental employees sent on external training	5	7
		Number of Departmental employees sent on internal training	10	15
<i>KPA 29: Occupational Health and safety</i>	To provide a safe and healthy work environment to all employees	Attendance of monthly Departmental SHE meetings	12	12
		Attendance of quarterly Central SHE meetings	4	4
<i>KPA 30: People Management and Empowerment</i>	To maintain sound labour relations	Number of Local Labour Forum meetings	4	12
	Recruitment and selection of staff for budgeted vacancies	% of all requisitions for filling of posts received	90%	100%
<i>KPA 31: Employment Equity</i>	To review & implement the Employment Equity Plan	Annual Report to the Dept. of Labour	1	1
		KPA – The number of people from employment equity target groups employed in compliance with the approved employment equity plan	80%	80%

<b>Objectives, Goals, KPI's and Targets of the Municipality</b>				
<b>(Department: Corporate &amp; Social Services)</b>				
<b>Municipal Key Performance Area</b>	<b>IDP Goal/Objective</b>	<b>Key Performance Indicator</b>	<b>Base Line</b>	<b>Annual Targets</b>
				<b>2011/12</b>
<i>KPA 32: Public Participation</i>	To ensure and promote the participation of George communities in the activities of the Municipality	Number of complaints attended to within 24 hours	220	220
<i>KPA 33: Administrative Support</i>	To provide an effective records management service	X1 Collaborator functional	10%	100%
		Leave register assessed once a month (100% of leave register updated)	10%	100%
		Response to internal and external enquiries	44	44
	Arrangement of Council/Committee meetings as per the meeting schedule of Council, and compiling the agenda's and minutes to Council meetings	Timely compilation of agendas 3 days prior to meetings	100%	100%
		Timely compilation of departmental instructions following the meetings	100%	100%

<b>Objectives, Goals, KPI's and Targets of the Municipality</b>				
<b>(Department: Corporate &amp; Social Services)</b>				
<b>Municipal Key Performance Area</b>	<b>IDP Goal/Objective</b>	<b>Key Performance Indicator</b>	<b>Base Line</b>	<b>Annual Targets</b>
				<b>2011/12</b>
<i>KPA 34: Library Services</i>	The provision of effective library services	Number of events held by libraries	40	40
<i>KPA 39: HIV/Aids</i>	To contribute towards the reduction in the prevalence of HIV/AIDS in the Municipal area	Number of special events organised	3	3
		Number of health awareness campaigns held	4	4
		Door to Door	27	27
		Information sessions / Expo's	12	12
		Condom demonstration	12	12
		Condom distribution	2000	2000
		Information brochures distributed	500	500
		Training of Volunteers	2	2
		Number of people counselled by HIV counsellors	500	500
		Number of treatment and care food parcels	360	360
		Vegetable Gardens	12	12
		Support Groups	8	8
		Clothing Bank	20	20

Objectives, Goals, KPI's and Targets of the Municipality				
(Department: Corporate & Social Services)				
Municipal Key Performance Area	IDP Goal/Objective	Key Performance Indicator	Base Line	Annual Targets
				2011/12
<i>KPA 40: Targeted groups (Gender)</i>	To facilitate and coordinate the strengthening of targeted (Gender) groups within the Municipality	<b>Number of awareness events</b>		
		No violence against women and children Fun walk	1	1
		Number of persons reached	200	200
		Cancer day	1	1
		Number of persons reached	150	150
		<b>Number of projects</b>		
		Work for Women - Libre Foundation	1	1
		Number of persons reached	15	15
		Monitoring	4	4
		Drivers licences	1	1
		Number of persons reached	15	15
		Monitoring	1	1
		<b>Number of National Calendar Day Programmes</b>		
		Women's Day	1	1
		Number of persons attended	300	300
		No violence against women and children presentation	1	1
		Number of schools reached	4	4
		Number of learners reached	300	300
		Number of Corporatives reached	4	4
		Number of adults reached	30	30
		<b>Number of Empowerment Consultation Rorum meetings</b>		
		Forums established	3	3
		Meetings attended	4	4
		Monitoring	7	7

<b>Objectives, Goals, KPI's and Targets of the Municipality</b>				
<b>(Department: Corporate &amp; Social Services)</b>				
<b>Municipal Key Performance Area</b>	<b>IDP Goal/Objective</b>	<b>Key Performance Indicator</b>	<b>Base Line</b>	<b>Annual Targets</b>
				<b>2011/12</b>
		<b>Number of Educational Information Projects</b>		
		Information distribution	1	1
		Number of persons reached	200	200
		Information sessions	1	1
		Number of persons reached	100	100
		<b>Number of Support groups</b>		
		Number of groups established and linked to existing service providers	2	2
		Number of information sessions	4	4
		Number of persons reached	80	80
		Number of reports to Council	5	5
		Number of Quarterly reports to Council	4	4
KPA 40: Groups (Disability)	To facilitate and coordinate the strengthening of tartgeted (Disability) groups within the Municipality	<b>Number of awareness events</b>		
		Fetal alcohol day	1	1
		Number of person reached	50	50
		OCC Schools	1	1
		Number of children reached	250	250
		<b>Disability Projects</b>		
		ABET Training	1	1
		Number of persons reached	5	5
		Accessibility Tender		
		Number of tenders	1	1
		Number of implementations after tender results	2	2
		Outeniqua Wheelchair Challenge	1	1
		Number of planning meetings	50	50
		Number of athletes reached	700	700
		Amount of media exposure (PR value)		

<b>Objectives, Goals, KPI's and Targets of the Municipality</b>				
<b>(Department: Corporate &amp; Social Services)</b>				
<b>Municipal Key Performance Area</b>	<b>IDP Goal/Objective</b>	<b>Key Performance Indicator</b>	<b>Base Line</b>	<b>Annual Targets</b>
				<b>2011/12</b>
		Drivers licences	1	1
		Number of persons reached	15	15
		<b>Number of National Calender Day Programmes</b>		
		Casual Day	1	1
		Number of persons attended	50	50
		Deaf and Blind Awareness day	1	1
		Number of persons reached	40	40
		<b>Number of Empowerment Consultation Forum meetings</b>		
		Forums established	2	2
		Meetings attended	4	4
		Monitoring	6	6
		Number of Financial Support Projects	5	5
		Number of persons supported	8	8
		<b>Number of Educational Information Projects</b>		
		Information distribution	1	1
		Number of material e.g. booklets distributed	50	50
		Information sessions	1	1
		Number of person reached	40	40
		Number of reports to Council	6	6
		Number of Quarterly reports to Council	4	4
		Number of Quarterly reports to Municipal Manager/PAWK	4	4

<b>Objectives, Goals, KPI's and Targets of the Municipality</b>				
<b>(Department: Corporate &amp; Social Services)</b>				
<b>Municipal Key Performance Area</b>	<b>IDP Goal/Objective</b>	<b>Key Performance Indicator</b>	<b>Base Line</b>	<b>Annual Targets</b>
				<b>2011/12</b>
KPA 40: Social Development	Monitoring the function of creches in the municipality	Number of municipal creches supported (annually)	6	6
		Number of creches monitored (monthly)	15	15
		Number of quarterly reports to Council	12	12
		Number of staff/Governing Bodies trainings held (6 monthly)	2	2
	To contribute to the reduction of Children Living on the Street	Monthly monitoring of Centre	12	12
		Quarterly meeting with management	4	4
		Number of reports to Council (monthly)	12	12
	Empowering of the communities regarding social challenges Substance Abuse Family violence Child safety	<b>Establishment of new food gardens</b>		
		* Individual food gardens	20	20
		* Food gardens at creches	20	20
		* Soup kitchens	20	20
		Monthly monitoring of established gardens (monthly)	60	60
		<b>Substance abuse:</b>		
		Number of awareness/life skill sessions held	4	4
		Number of people reached	100	100
		Number of campaigns held	4	4
		Number of people reached	400	400
		<b>Child Safety</b>		
		Number of awareness/life skill sessions	4	4
		Number of people reached	100	100
		Number of campaigns held	4	4
		Number of people reached	400	400

<b>Objectives, Goals, KPI's and Targets of the Municipality</b>				
<b>(Department: Corporate &amp; Social Services)</b>				
<b>Municipal Key Performance Area</b>	<b>IDP Goal/Objective</b>	<b>Key Performance Indicator</b>	<b>Base Line</b>	<b>Annual Targets</b>
				<b>2011/12</b>
	To address the nutritional needs of vulnerable children and chronically-ill adults in the communities	<b>Monitoring of existing kitchens</b>		
		Information sessions regarding nutrition, hygiene, HIV/AIDS, sanitation/water/recycling	24	24
		Number of soup kitchens monitored (monthly)	130	130
		Number of people reached	200	200
	To improve: the co-ordination of anti-poverty programmes, in an effort to graduate poor households out of poverty	Establishment of a Local War on Poverty Task Team	1	1
		Quarterly Local Task Team Meetings	4	4
		Quarterly Reports to Council	4	4
		Development of an Anti-Poverty Strategy	1	1
	To facilitate and coordinate the strengthening of Youth issues within George and Implement Projects accordingly.	<b>Youth Survey</b>		
		Number of Youth Surveys	1	1
		Number of Reports to Council	1	1
		<b>Drivers License Project</b>		
		Number of youth trained	30	30
		Report back to Council	1	1
		<b>Implementation of Volunteer Programme to assist Youth</b>		
		Number of persons reached	300	300
		Report back to Council	3	3
		<b>Career Exhibition</b>		
		Number of Youth Reached	400	400
		Report back to Council	1	1
		<b>Awareness and Education Sessions</b>		
		Bursary opportunities	10	10
		Learnerships	5	5
		Employment Opportunities	5	5
		Careers Development Information	10	10

<b>Objectives, Goals, KPI's and Targets of the Municipality</b>				
<b>(Department: Corporate &amp; Social Services)</b>				
<b>Municipal Key Performance Area</b>	<b>IDP Goal/Objective</b>	<b>Key Performance Indicator</b>	<b>Base Line</b>	<b>Annual Targets</b>
				<b>2011/12</b>
		<b>Special Events</b>		
		Number of special events organised	1	1
		Report back to Council	1	1
		<b>Consultative and Public Participation Sessions</b>		
		Number of Public Youth Meetings	8	8
		Number of George Youth Council Meetings	12	12
		Number of Individual Youth Development Consultations	80	80
		Number of reports to Council	4	4
		<b>Government Events Supported</b>		
		Number of events supported	10	10
		Number of reports to Council	4	4

The following table sets out the municipalities main performance objectives and benchmarks for the 2011/12 MTREF.

**Table 31 – SA8: Performance indicators and benchmarks**

Description of financial indicator	Basis of calculation	2007/8	2008/9	2009/10	Current Year 2010/11				2011/12 Medium Term Revenue & Expenditure Framework		
		Audited Outcome	Audited Outcome	Audited Outcome	Original Budget	Adjusted Budget	Full Year Forecast	Pre-audit outcome	Budget Year 2011/12	Budget Year +1 2012/13	Budget Year +2 2013/14
<b><u>Borrowing Management</u></b>											
Borrowing to Asset Ratio	Total Long-Term Borrowing/Total Assets	14.5%	16.6%	19.5%	25.8%	19.7%	19.9%	19.9%	20.1%	19.5%	19.4%
Credit Rating											
Capital Charges to Operating Expenditure	Interest & Principal Paid /Operating Expenditure	6.5%	7.9%	9.2%	9.9%	8.8%	9.1%	9.1%	9.3%	9.4%	8.7%
Borrowed funding of 'own' capital expenditure	Borrowing/Capital expenditure excl. transfers and grants and contributions	54.7%	-45.4%	-113.4%	-261.6%	-261.0%	-261.0%	-261.0%	79.8%	151.1%	184.5%
<b><u>Safety of Capital</u></b>											
Debt to Equity	Loans, Creditors, Overdraft & Tax Provision/ Funds & Reserves	48.1%	33.4%	40.8%	90.1%	39.2%	39.8%	39.8%	39.2%	40.3%	41.0%
Gearing	Long Term Borrowing/ Funds & Reserves	162.8%	95.8%	100.8%	805.5%	93.7%	93.7%	93.7%	88.0%	83.6%	77.7%
<b><u>Liquidity</u></b>											
Current Ratio	Current assets/current liabilities	5.7	4.5	3.7	4.3	4.1	3.9	3.9	4.2	3.3	2.9
Current Ratio adjusted for aged debtors	Current assets less debtors > 90 days/current liabilities	5.7	4.5	3.7	4.3	4.1	3.9	3.9	4.2	3.3	2.9
Liquidity Ratio	Monetary Assets/Current Liabilities	2.4	1.4	0.9	0.8	1.5	1.3	1.3	1.2	0.8	0.6
<b><u>Revenue Management</u></b>											
Annual Debtors Collection Rate (Payment Level %)	Last 12 Mths Receipts/Last 12 Mths Billing		100.4%	95.1%	82.4%	82.4%	82.4%	82.4%	104.3%	96.6%	96.6%
Outstanding Debtors to Revenue	Total Outstanding Debtors to Annual Revenue	15.0%	14.2%	21.4%	12.5%	11.6%	11.6%	11.6%	10.8%	10.7%	9.4%
Longstanding Debtors Recovered	Debtors > 12 Mths Recovered/Total Debtors > 12 Months Old										
<b><u>Creditors Management</u></b>											
Creditors System Efficiency	% of Creditors Paid Within Terms (within 'MFMA' s 65(e))	100.0%	100.0%	100.0%	100.0%	100.0%	100.0%	100.0%	100.0%	100.0%	100.0%
<b><u>Funding of Provisions</u></b>											
Provisions not funded - %	Unfunded Provs./Total Provisions	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%
<b><u>Other Indicators</u></b>											
Electricity Distribution Losses (2)	% Volume (units purchased and generated less units sold)/units purchased and generated	3.7%	5.5%	7.0%	7.0%	7.0%	7.0%	7.0%	7.0%	7.0%	7.0%
Water Distribution Losses (2)	% Volume (units purchased and own source less units sold)/Total units purchased and own source	7.3%	7.7%	5.3%	6.0%	6.0%	6.0%	6.0%	4.5%	5.5%	7.5%
Employee costs	Employee costs/(Total Revenue - capital revenue)	37.1%	27.9%	31.1%	25.0%	24.1%	24.1%	24.1%	25.1%	24.4%	23.1%
Remuneration	Total remuneration/(Total Revenue - capital revenue)	28.7%	26.7%	27.7%	24.5%	23.3%	23.3%		25.3%	24.8%	23.4%
Repairs & Maintenance	R&M/(Total Revenue excluding capital revenue)	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%		0.0%	0.0%	0.0%
Finance charges & Depreciation	FC&D/(Total Revenue - capital revenue)	12.2%	15.1%	19.0%	18.3%	17.2%	17.2%	17.2%	16.5%	14.6%	12.5%
<b><u>IDP regulation financial viability indicators</u></b>											
i. Debt coverage	(Total Operating Revenue - Operating Grants)/Debt service payments due within financial year)	10.9	13.8	15.9	17.7	17.7	17.7	17.8	17.7	17.9	20.2
ii. O/S Service Debtors to Revenue	Total outstanding service debtors/annual revenue received for services	19.3%	19.0%	25.9%	15.1%	15.1%	15.1%	15.1%	13.2%	12.7%	11.1%
iii. Cost coverage	(Available cash + Investments)/monthly fixed operational expenditure	8.3	5.3	3.4	0.9	4.2	3.7	3.7	2.6	2.1	1.3

## 2.6 – Overview of budget related policies

The municipality's budgeting process is guided and governed by relevant legislation, frameworks, strategies and related policies.

Section 17 (3) (e) of the Municipal Finance Management Act, (Act No 56 of 2003) prescribes that the Municipality must review the budget related policies annually. Herewith follows suggested changes to Council's budget related policies.

The budget committee considered amendments to all the various policies and only minor amendments were made.

All budget related policies are attached as Annexures.

### 2.6.1 – Review of current policies

#### 2.6.1.1 – Review of credit control and debt collection policies

The policy has been formulated in accordance with all the relevant legislation and strategies. The revisions include:

- Only bank guaranteed cheques, cash and credit cards will be accepted for the sale of prepaid cheques. (page 34 of the policy)
- Adjustments will be based on the consumption of 3 months after the leakage took place or alternatively on the consumption of 3 months before the leakage took place. (page 26 of the policy)

#### 2.6.1.2 – Indigent Policy

The Indigent Policy has been reviewed. The numbering has been corrected and the following have been inserted or deleted. The following revisions to the policy have been made:

- Definition of household income has been redefined  
“**household income**” the income accruing to all owners/tenants of the household permanently residing at the address.
- Criteria for qualification
  2. (1) In order to qualify for indigent support the following criteria must be met:
    - (a) The verified gross monthly income of all household occupants **over 18 years of age** may not exceed in the amount approved by Council from time to time during the budget process.
    - (c) The applicant must be the full-time occupant and may not own any other property.
    - (f) the usage of the residential property must be mainly private residential.
- The following point has been deleted from the policy:

- 3.10 Marginal cases will be referred to a special committee for approval after a social assessment has been done.
- The following has been added to the policy:
    - (l) Health care facilities where health care is provided:
      - (i) To qualify for the equitable subsidy, the health care provider must apply for the subsidy individually for every person who received a pension to a maximum amount as determined by Council during the budget process.
      - (ii) The subsidy will be credited on a monthly basis on the municipal account of the health provider.
      - (iii) R100 per month per tenant with an income determined by Council during the budget process.
- (15) Where electricity meter problems occur at indigent households, such problems can be repaired at Councils expense and the cost thereof recovered from the equitable share grant. The above recovery can only take place while sufficient equitable share fund are available.

#### **2.6.1.3 – Tariff policy**

Specific legislation applicable to each service has been taken into consideration when determining this policy. The municipality's tariff policy provide a broad framework within which the Council can determine fair, transparent and affordable charges that also promote sustainable service delivery.

The following amendments has been made to the policy:

- Deleting of – Industrial and commercial consumers with a consumption of more than 100kl per day. (page 24)
- The replacement of the rising block tariffs. (page 24)
- The implementation of the emergency tariffs will depend on the level of the dam as decided by council. (page 24)
- Deleting of – Private dumping at the disposal site will be allowed after a tariff based on the estimate volume of the dumping has been paid. (page 32)
- Deleting of – 50% or as near as possible to 50%. (page 35)

#### **2.6.1.4 – Property Rates Policy**

The Property Rates Policy has been formulated in terms of the Local Government: Municipali Property Rates Act, 2004.

The following amendments has been made to the policy:

- Interest will be calculated at prime rate
- The following rebates will be excluded:

- Municipal properties: Public services infrastructure: 100%

### **2.6.1.5 – Asset Management and Accounting Policy**

The amendments to the policy has been highlighted within the document. The policy is attached as an Annexure.

### **2.6.2 New Budget related policies**

The following new policies have been drafted:

- Budget, Funding and Reserve policy
- Cash Management, Banking and Investment Policy

The new policies are also attached as an Annexure.

## **2.7 – Budget Assumptions**

Budgets are prepared in an environment of uncertainty. To prepare meaningful budgets, assumptions need to be made about internal and external factors that could influence the budget. Documentation of the assumptions used in preparing the budget assists understanding of the information. This section provides a comprehensive summary of all the assumptions used in preparing the budget.

### **2.7.1 – National Treasury MFMA Circular No 55**

This Circular was issued in March 2011 and it provides further guidance to municipalities for the preparation of the 2011/12 budget and MTREF and was used in preparing this budget. Summary of key issues from the Circular is attached as Annexure to this document.

### **2.7.2 – Inflation Outlook**

In the MFMA Circular No 55, inflation forecasts are estimated at 5.7%, 6.2% and 5.9% respectively for the years 2010 to 2013.

The following allowances are included in the operating budget for general inflation over the MTREF period.

	<b>2011/12</b>	<b>2012/13</b>	<b>2013/14</b>
General inflation	4.8%	5.3%	5.5%

### **2.7.3 – Interest Rates**

The prospect of low inflation levels means that interest rates are not forecast to increase substantially over the MTREF.

The following assumptions are built into the MTREF;

	2011/12	2012/13	2013/14
Average Interest Rate – New Borrowing	10%	10%	10%
Average Interest Rate - Investments	6.8%	6.8%	6.8%

#### 2.7.4 – Rates, tariffs, charges and timing of revenue collection

The rates, tariffs and charges for the 2011/12 budget are included in Annexure.

The following table shows the assumed average percentage increases built into the MTREF for rates tariffs and charges;

	2011/12	2012/13	2013/14
Rates	6%	6%	6%
Tariffs : Water	6%	6%	6%
Sewerage	6%	6%	6%
Electricity	20.38%	20%	20%
Cleansing	6%	6%	6%
General Charges	6%	6%	6%

The cash flow statement shows when rates and tariffs are expected to be collected over the financial year. In general terms, the timing of rates, tariffs and charges is based on the following;

Rates	Annual billing in July. Interim billing throughout the year
Tariffs	Monthly billing. On-going prepayment meters. Seasonal fluctuations.
Charges	Generally steady state throughout the financial year with seasonal fluctuations.

#### 2.7.5 – Growth or decline in tax base of the municipality

The valuation of taxable properties increased by R798m in 2010/11 year.

#### 2.7.6 – Collection rates for each revenue source and customer type

The following bad debt provisions and collection rates are assumed in the MTREF for rates and tariffs.

	2011/12	2012/13	2013/14
Provision for bad and doubtful debts	R10m	R10.3m	R11.5m
Assumed collection rate	95%	95%	95%

#### 2.7.7 – Price movements on specifics e.g. bulk purchases

The following amounts are included in the MTREF for increases in bulk purchases;

	2011/12	2012/13	2013/14
ESKOM	R249m	R310m	R394m

#### 2.7.8 – Average salary increases

The MTREF includes the following average percentage increases for wages and salary and for councillors' allowances;

	2011/12	2012/13	2013/14
Councillors	7%	7%	7%
Senior Managers	7%	7%	7%
Administrative, professional, technical and clerical	7%	7%	7%
Manual	7%	7%	7%

#### 2.7.9 – Industrial relations climate, reorganisation and capacity building

The ability of the Municipality to deliver quality services is virtually entirely dependant on its staff. Failure by the Municipality to invest in its staff to ensure that the capacity and skills exist to meet the challenges being faced by George will ultimately mean a failure to deliver services.

The Municipality has made the following amounts available for training over the MTREF period.

	2011/12	2012/13	2013/14
Training Budget	R1.2m	R1.3m	R1.7m

#### 2.7.10 – Trends in demand for free or subsidised basic services

George's criteria for supporting free or subsidised basic services are set out in the Indigent Policy. The Government allocates revenue via the Equitable Share grant with the primary aim of assisting municipalities with the costs of providing free or subsidised basic services. Any costs over and above the Equitable Share allocation are met by the Municipality.

The following table shows the assumed cost of the indigent support policy over the MTREF and the amounts allocated to the Municipalities through the Division of Revenue Act. The two outer years DORA allocations are indicative.

<b>R'000</b>	<b>2011/12</b>	<b>2012/13</b>	<b>2013/14</b>
Cost of indigent support	R79 119	R87 760	R93 982
Equitable Share	R72 201	R80 365	R85 706
Amount met by the Municipality	R6 918	R7 395	R8 276

#### **2.7.11 – Ability of the municipality to spend and deliver on the programmes**

In 2010/11 the Municipality has so far spent R102,3 m (at the time that this report was compiled) out of an adjusted capital budget of R150,5 m, equating to 61% of the total budget. Against the original budget of R175m the spending is 58%.

Spending is monitored closely throughout the year and Senior Managers must ensure that capital schemes are supported by robust planning. The Municipality is currently reviewing its capital planning processes.

The SDBIP includes monthly cash flows of expenditure and is used as the basis for budget monitoring. Monthly Section 71 meetings with portfolio councillor, municipal manager and senior managers and the budget office also forms part of the monitoring tool and directorates must give reasons for poor performance and over spending.

#### **2.7.12 – Implications of restructuring and other major events into the future**

The budget does not include any provision for the establishment of a Regional Electricity Distributor (RED) for George as council does not support the move towards a RED. There is therefore still considerable uncertainty as to how and when this would operate.

George Municipality was requested by the Municipal Demarcation Board to assist with public consultations regarding the ward delimitation process. The proposed result for the ward delimitation process is that George will be having 25 wards after the next local government elections. This is 5 more wards than the current 20. The number of Councillors will also increase from 39 to 49. Also, the District Management Area (Uniondale and surrounds) will after the next local government elections be part of George Municipality.

The Municipality successfully concluded the public consultation process and submitted the necessary forms and reports to the Demarcation Board in December 2009 and February 2010. The results are processed by the Board

and a final decision is expected in September 2010. Uniondale and surroundings are included in the Eden District Municipality's budget.

Council decided on restructuring and combining the Assistant Municipal Manager and Corporate Services departments into one department namely Corporate and Social Services.

The wage curve negotiations are in process but the implementation date is not clear at this stage, the municipality has done an estimate of the financial impact of implementing the wage curve and provided for that in the 2011/12 budget.

## 2.8 Other Supporting documents

### 2.8.1 Grants and subsidies

**Table 32 – SA18: Transfers and grants receipt**

Description	2007/8	2008/9	2009/10	Current Year 2010/11			2011/12 Medium Term Revenue & Expenditure Framework		
	Audited Outcome	Audited Outcome	Audited Outcome	Original Budget	Adjusted Budget	Full Year Forecast	Budget Year 2011/12	Budget Year +1 2012/13	Budget Year +2 2013/14
<b>R thousand</b>									
<b>RECEIPTS:</b>									
<b>Operating Transfers and Grants</b>									
<b>National Government:</b>	<b>52,231</b>	<b>38,198</b>	<b>45,308</b>	<b>67,586</b>	<b>68,630</b>	<b>68,630</b>	<b>75,619</b>	<b>82,415</b>	<b>87,856</b>
Local Government Equitable Share	29,693	37,048	42,427	58,296	59,340	59,340	72,201	80,365	85,706
Finance Management	250	750	750	1,000	1,000	1,000	1,250	1,250	1,250
Municipal Systems Improvement	–	400	400	750	750	750	790	800	900
Energy Efficiency and Demand Management	–	–	–	4,000	4,000	4,000	–	–	–
Integrated National Electrification Programme	–	–	–	–	–	–	–	–	–
Expanded Public Works Programme	–	–	117	–	–	–	1,378	–	–
Flood Damage	22,287	–	1,615	–	–	–	–	–	–
Municipal Drought Relief Grant	–	–	–	3,540	3,540	3,540	–	–	–
Transitional Grant	–	–	–	–	–	–	–	–	–
<b>Provincial Government:</b>	<b>4,044</b>	<b>17,566</b>	<b>8,185</b>	<b>39,017</b>	<b>40,266</b>	<b>40,266</b>	<b>48,666</b>	<b>18,945</b>	<b>29,601</b>
Housing	4,044	14,440	5,321	37,049	33,249	33,249	46,858	18,414	29,070
Proclaimed Roads	–	788	229	325	325	325	182	–	–
Local Government Masterplanning Grant	–	650	1,000	396	396	396	396	396	396
Housing Consumer Education	–	400	200	–	–	–	–	–	–
Feasibility study for Bulk Water Study	–	400	–	–	–	–	–	–	–
Library Grant	–	756	783	1,087	1,087	1,087	1,100	–	–
Community Development Workers Operating Grant	–	72	72	100	149	149	130	135	135
AMP's and Technical Audit Grant	–	60	80	–	–	–	–	–	–
Lawaikamp Artificial Soccer Pitch	–	–	500	–	–	–	–	–	–
Spatial Development Framework	–	–	–	–	–	–	–	–	–
Flood Damage - Housing	–	–	–	–	–	–	–	–	–
Cleanest Town Competition	–	–	–	60	60	60	–	–	–
Provincial Contribution towards the Acceleration of Housing Delivery	–	–	–	–	5,000	5,000	–	–	–
<b>District Municipality:</b>	<b>–</b>	<b>350</b>	<b>–</b>	<b>–</b>	<b>500</b>	<b>500</b>	<b>–</b>	<b>–</b>	<b>–</b>
Storm Water Master Planning Grant	–	350	–	–	500	500	–	–	–
<b>Other grant providers:</b>	<b>901</b>	<b>1,837</b>	<b>3,259</b>	<b>2,510</b>	<b>2,538</b>	<b>2,562</b>	<b>2,565</b>	<b>2,556</b>	<b>2,361</b>
Storm Water Master Planning (DBSA)	–	–	936	–	–	–	–	–	–
DWAF	396	1,576	1,612	2,000	2,028	2,028	2,035	1,995	1,850
LGSETA	505	206	687	500	500	524	520	550	500
African Skills Village	–	55	23	10	10	10	10	11	11
<b>Total Operating Transfers and Grants</b>	<b>57,176</b>	<b>57,952</b>	<b>56,752</b>	<b>109,113</b>	<b>111,935</b>	<b>111,959</b>	<b>126,850</b>	<b>103,916</b>	<b>119,818</b>
<b>Capital Transfers and Grants</b>									
<b>National Government:</b>	<b>24,365</b>	<b>41,530</b>	<b>41,571</b>	<b>96,829</b>	<b>96,829</b>	<b>96,829</b>	<b>55,158</b>	<b>45,372</b>	<b>48,575</b>
Municipal Infrastructure Grant (MIG)	23,687	10,356	12,399	13,369	13,369	13,369	36,309	44,147	46,575
Regional Bulk Infrastructure	–	–	7,000	8,000	8,000	8,000	8,500	–	–
Public Transport and Systems	–	–	–	–	–	–	–	–	–
Municipal Drought Relief Grant	–	–	15,000	71,460	71,460	71,460	–	–	–
Municipal Infrastructure Disaster Grant	–	30,958	–	–	–	–	–	–	–
Integrated National Electrification Programme	678	216	3,172	2,000	2,000	2,000	5,349	1,225	2,000
Electricity Demand Side Grant	–	–	4,000	2,000	2,000	2,000	4,000	–	–
Expanded Public Works Programme	–	–	–	–	–	–	1,000	–	–
Finance Management	–	–	–	–	–	–	–	–	–
<b>Provincial Government:</b>	<b>32,077</b>	<b>29,987</b>	<b>5,196</b>	<b>9,429</b>	<b>17,129</b>	<b>17,129</b>	<b>2,000</b>	<b>27,880</b>	<b>19,510</b>
Housing	8,477	19,387	2,723	3,400	7,200	7,200	–	26,380	18,010
Mobility Strategy	18,000	10,600	2,474	6,000	9,900	9,900	2,000	1,500	1,500
Proclaimed Roads	5,600	–	–	–	–	–	–	–	–
Library Grant	–	–	–	29	29	29	–	–	–
Khulani Woman's Project	–	–	–	–	–	–	–	–	–
<b>District Municipality:</b>	<b>6,930</b>	<b>–</b>	<b>200</b>	<b>–</b>	<b>–</b>	<b>–</b>	<b>–</b>	<b>–</b>	<b>–</b>
Expansion of Water Resources	6,930	–	–	–	–	–	–	–	–
Electrification - DMA Area	–	–	200	–	–	–	–	–	–
<b>Other grant providers:</b>	<b>–</b>	<b>–</b>	<b>–</b>	<b>–</b>	<b>–</b>	<b>–</b>	<b>–</b>	<b>–</b>	<b>–</b>
<b>Total Capital Transfers and Grants</b>	<b>63,372</b>	<b>71,517</b>	<b>46,967</b>	<b>106,258</b>	<b>113,958</b>	<b>113,958</b>	<b>57,158</b>	<b>73,252</b>	<b>68,085</b>
<b>TOTAL RECEIPTS OF TRANSFERS &amp; GRANTS</b>	<b>120,547</b>	<b>129,469</b>	<b>103,719</b>	<b>215,371</b>	<b>225,892</b>	<b>225,916</b>	<b>184,008</b>	<b>177,168</b>	<b>187,903</b>

**Table 33 – SA19: Expenditure on transfers and grants**

Description	2007/8	2008/9	2009/10	Current Year 2010/11			2011/12 Medium Term Revenue & Expenditure Framework		
	Audited Outcome	Audited Outcome	Audited Outcome	Original Budget	Adjusted Budget	Full Year Forecast	Budget Year 2011/12	Budget Year +1 2012/13	Budget Year +2 2013/14
<b>R thousand</b>									
<b>EXPENDITURE:</b>									
<b>Operating expenditure of Transfers and Grants</b>									
<b>National Government:</b>	<b>43,570</b>	<b>48,854</b>	<b>46,784</b>	<b>68,636</b>	<b>72,868</b>	<b>72,868</b>	<b>75,619</b>	<b>82,415</b>	<b>87,756</b>
Local Government Equitable Share	29,693	37,048	42,427	58,296	59,340	59,340	72,201	80,365	85,706
Finance Management	250	1,083	2,291	–	3,102	3,102	1,250	1,250	1,250
Municipal Systems Improvement	–	446	315	750	835	835	790	800	800
Energy Efficiency and Demand Management	–	–	–	4,000	4,000	4,000	–	–	–
Integrated National Electrification Programme	–	–	–	–	–	–	–	–	–
Expanded Public Works Programme	–	–	117	–	–	–	1,378	–	–
Flood Damage	12,050	10,278	1,615	2,050	2,050	2,050	–	–	–
Municipal Drought Relief Grant	–	–	–	3,540	3,540	3,540	–	–	–
Transitional Grant	1,577	–	–	–	–	–	–	–	–
<b>Provincial Government:</b>	<b>3,055</b>	<b>19,581</b>	<b>9,656</b>	<b>39,432</b>	<b>35,677</b>	<b>35,677</b>	<b>50,266</b>	<b>18,945</b>	<b>29,743</b>
Housing	3,055	17,125	5,764	37,049	33,249	33,249	46,858	18,414	29,207
Proclaimed Roads	–	788	229	325	325	325	182	–	–
Local Government Masterplanning Grant	–	–	1,650	396	396	396	396	396	396
Housing Consumer Education	–	419	470	150	122	122	–	–	–
Feasibility study for Bulk Water Study	–	400	–	–	–	–	–	–	–
Library Grant	–	756	783	1,087	1,087	1,087	1,100	–	–
Community Development Workers Operating Grant	–	32	130	100	173	173	130	135	140
AMP's and Technical Audit Grant	–	60	80	–	–	–	–	–	–
Lawaikamp Artificial Soccer Pitch	–	–	500	–	–	–	–	–	–
Spatial Development Framework	–	–	50	325	325	325	–	–	–
Flood Damage - Housing	–	–	–	–	–	–	1,600	–	–
Cleanest Town Competition	–	–	–	–	–	–	–	–	–
Provincial Contribution towards the Acceleration of Housing Delivery	–	–	–	–	–	–	–	–	–
<b>District Municipality:</b>	<b>–</b>	<b>–</b>	<b>350</b>	<b>–</b>	<b>500</b>	<b>500</b>	<b>–</b>	<b>–</b>	<b>–</b>
Storm Water Master Planning Grant	–	–	350	–	500	500	–	–	–
<b>Other grant providers:</b>	<b>901</b>	<b>1,837</b>	<b>3,259</b>	<b>2,510</b>	<b>2,538</b>	<b>2,562</b>	<b>2,565</b>	<b>2,556</b>	<b>2,361</b>
Storm Water Master Planning (DBSA)	–	–	936	–	–	–	–	–	–
DWAF	396	1,576	1,612	2,000	2,028	2,028	2,035	1,995	1,850
LGSETA	505	206	687	500	500	524	520	550	500
African Skills Village	–	55	23	10	10	10	10	11	11
<b>Total operating expenditure of Transfers and Grants:</b>	<b>47,526</b>	<b>70,273</b>	<b>60,029</b>	<b>110,578</b>	<b>111,584</b>	<b>111,607</b>	<b>128,450</b>	<b>103,916</b>	<b>119,860</b>
<b>Capital expenditure of Transfers and Grants</b>									
<b>National Government:</b>	<b>35,315</b>	<b>35,026</b>	<b>45,147</b>	<b>98,829</b>	<b>100,532</b>	<b>100,531</b>	<b>64,158</b>	<b>45,372</b>	<b>48,575</b>
Municipal Infrastructure Grant (MIG)	26,099	10,369	12,399	13,369	13,369	13,369	36,309	44,147	46,575
Regional Bulk Infrastructure	–	–	7,000	8,000	8,000	8,000	17,500	–	–
Public Transport and Systems	–	–	–	–	–	–	–	–	–
Municipal Drought Relief Grant	–	–	15,000	71,460	71,460	71,460	–	–	–
Municipal Infrastructure Disaster Grant	8,600	24,452	6,462	–	45	45	–	–	–
Integrated National Electrification Programme	616	206	3,244	2,000	2,000	2,000	5,349	1,225	2,000
Electricity Demand Side Grant	–	–	1,042	4,000	4,958	4,958	4,000	–	–
Expanded Public Works Programme	–	–	–	–	–	–	1,000	–	–
Finance Management	–	–	–	–	700	700	–	–	–
<b>Provincial Government:</b>	<b>35,819</b>	<b>34,390</b>	<b>3,592</b>	<b>14,429</b>	<b>18,107</b>	<b>18,107</b>	<b>6,000</b>	<b>27,880</b>	<b>19,510</b>
Housing	8,477	19,387	2,158	3,400	7,200	7,200	–	26,380	18,010
Mobility Strategy	21,742	15,002	1,102	11,000	10,878	10,878	6,000	1,500	1,500
Proclaimed Roads	5,600	–	–	–	–	–	–	–	–
Library Grant	–	–	–	29	29	29	–	–	–
Khulani Woman's Project	–	–	332	–	–	–	–	–	–
<b>District Municipality:</b>	<b>6,930</b>	<b>–</b>	<b>–</b>	<b>–</b>	<b>200</b>	<b>200</b>	<b>–</b>	<b>–</b>	<b>–</b>
Expansion of Water Resources	6,930	–	–	–	–	–	–	–	–
Electrification - DMA Area	–	–	–	–	200	200	–	–	–
<b>Other grant providers:</b>	<b>0</b>	<b>–</b>	<b>–</b>	<b>–</b>	<b>–</b>	<b>–</b>	<b>–</b>	<b>–</b>	<b>–</b>
<b>Total capital expenditure of Transfers and Grants</b>	<b>78,064</b>	<b>69,416</b>	<b>48,740</b>	<b>113,258</b>	<b>118,838</b>	<b>118,838</b>	<b>70,158</b>	<b>73,252</b>	<b>68,085</b>
<b>TOTAL EXPENDITURE OF TRANSFERS AND GRANTS</b>	<b>125,590</b>	<b>139,689</b>	<b>108,768</b>	<b>223,836</b>	<b>230,422</b>	<b>230,445</b>	<b>198,608</b>	<b>177,168</b>	<b>187,945</b>

**2.8.1 Councillors and employee benefits**

The total number remuneration has increased from R190 million to R219 million. The increase of R29 million can be contributed to:

- Salary increase of 6.08% for councillors and employees,
- The incorporation of the District Municipal Area – Uniondale/Haarlem
- The introduction of the new staff structure and the adjustment of the T-gradings

**Table 34 – SA22: Summary of councillor and staff benefits**

Summary of Employee and Councillor remuneration	2007/8	2008/9	2009/10	Current Year 2010/11			2011/12 Medium Term Revenue & Expenditure Framework		
R thousand	Audited Outcome	Audited Outcome	Audited Outcome	Original Budget	Adjusted Budget	Full Year Forecast	Budget Year 2011/12	Budget Year +1 2012/13	Budget Year +2 2013/14
	A	B	C	D	E	F	G	H	I
<b><u>Councillors (Political Office Bearers plus Other)</u></b>									
Salary	4,872	5,662	6,132	6,630	6,630	6,630	6,872	7,353	7,868
Pension Contributions	693	779	714	897	897	897	1,391	1,489	1,593
Medical Aid Contributions	111	125	115	126	126	126	906	969	1,037
Motor vehicle allowance	1,897	2,180	2,323	2,551	2,551	2,551	3,092	3,308	3,539
Cell phone allowance	393	441	474	514	514	514	652	698	747
Housing allowance	-	-	-	-	-	-	-	-	-
Other benefits or allowances	-	-	-	-	-	-	-	-	-
In-kind benefits	-	-	-	-	-	-	-	-	-
<b>Sub Total - Councillors</b>	<b>7,966</b>	<b>9,187</b>	<b>9,758</b>	<b>10,719</b>	<b>10,719</b>	<b>10,719</b>	<b>12,913</b>	<b>13,817</b>	<b>14,784</b>
<b>% increase</b>		<b>15.3%</b>	<b>6.2%</b>	<b>9.8%</b>	<b>0.0%</b>	<b>-</b>	<b>20.5%</b>	<b>7.0%</b>	<b>7.0%</b>
<b><u>Senior Managers of the Municipality</u></b>									
Salary	6,725	7,390	6,230	7,497	7,042	7,042	7,362	7,878	8,429
Pension Contributions	-	-	-	-	-	-	-	-	-
Medical Aid Contributions	-	-	-	-	-	-	-	-	-
Motor vehicle allowance	-	-	-	-	-	-	-	-	-
Cell phone allowance	-	-	-	-	-	-	-	-	-
Housing allowance	-	-	-	-	-	-	-	-	-
Performance Bonus	845	900	943	1,322	1,225	1,225	1,040	1,113	1,191
Other benefits or allowances	-	-	-	-	-	-	-	-	-
In-kind benefits	-	-	-	-	-	-	-	-	-
<b>Sub Total - Senior Managers of Municipality</b>	<b>7,570</b>	<b>8,290</b>	<b>7,174</b>	<b>8,819</b>	<b>8,267</b>	<b>8,267</b>	<b>8,402</b>	<b>8,990</b>	<b>9,620</b>
<b>% increase</b>		<b>9.5%</b>	<b>(13.5%)</b>	<b>22.9%</b>	<b>(6.3%)</b>	<b>-</b>	<b>1.6%</b>	<b>7.0%</b>	<b>7.0%</b>
<b><u>Other Municipal Staff</u></b>									
Basic Salaries and Wages	79,034	99,642	111,646	120,316	120,472	120,472	143,214	148,688	158,660
Pension Contributions	13,520	16,483	18,145	20,418	20,418	20,418	23,092	24,709	26,439
Medical Aid Contributions	7,650	6,364	7,274	9,804	9,804	9,804	13,022	13,934	14,910
Motor vehicle allowance	4,960	7,095	6,992	7,158	7,158	7,158	8,164	8,633	9,238
Cell phone allowance	328	460	518	485	502	502	433	464	496
Housing allowance	1,350	1,614	1,426	1,195	1,195	1,195	1,125	1,204	1,288
Overtime	10,009	13,212	11,425	7,247	10,178	10,178	8,578	8,963	9,333
Performance Bonus	-	-	-	-	-	-	-	-	-
Other benefits or allowances	18,709	-	-	-	-	-	-	-	-
In-kind benefits	7,856	9,562	11,162	12,135	12,117	12,117	13,822	14,790	15,826
<b>Sub Total - Other Municipal Staff</b>	<b>143,416</b>	<b>154,431</b>	<b>168,588</b>	<b>178,757</b>	<b>181,844</b>	<b>181,844</b>	<b>211,449</b>	<b>221,385</b>	<b>236,190</b>
<b>% increase</b>		<b>7.7%</b>	<b>9.2%</b>	<b>6.0%</b>	<b>1.7%</b>	<b>-</b>	<b>16.3%</b>	<b>4.7%</b>	<b>6.7%</b>
<b>Total Parent Municipality</b>	<b>158,952</b>	<b>171,909</b>	<b>185,520</b>	<b>198,295</b>	<b>200,830</b>	<b>200,830</b>	<b>232,765</b>	<b>244,192</b>	<b>260,593</b>
		<b>8.2%</b>	<b>7.9%</b>	<b>6.9%</b>	<b>1.3%</b>	<b>-</b>	<b>15.9%</b>	<b>4.9%</b>	<b>6.7%</b>
<b>TOTAL SALARY, ALLOWANCES &amp; BENEFITS</b>	<b>158,952</b>	<b>171,909</b>	<b>185,520</b>	<b>198,295</b>	<b>200,830</b>	<b>200,830</b>	<b>232,765</b>	<b>244,192</b>	<b>260,593</b>
<b>% increase</b>		<b>8.2%</b>	<b>7.9%</b>	<b>6.9%</b>	<b>1.3%</b>	<b>-</b>	<b>15.9%</b>	<b>4.9%</b>	<b>6.7%</b>
<b>TOTAL MANAGERS AND STAFF</b>	<b>150,986</b>	<b>162,721</b>	<b>175,762</b>	<b>187,576</b>	<b>190,111</b>	<b>190,111</b>	<b>219,852</b>	<b>230,375</b>	<b>245,810</b>

**Table 35 – SA23: Salaries, allowances and benefits (political office bearers/councillors and senior managers)**

Disclosure of Salaries, Allowances & Benefits 1.	Ref	No. 10	Salary	Contrib. 1.	Allowances	Performance Bonuses	In-kind benefits 2.	Total Package 3.
<b>Rand per annum</b>								
<b>Councillors</b>	4							
Speaker	5	1	388,470	–	148,700			537,170
Chief Whip			–	–				–
Executive Mayor		1	485,580	–	181,070			666,650
Deputy Executive Mayor		1	388,470	–	148,700			537,170
Executive Committee		6	2,185,120	–	843,620			3,028,740
Total for all other councillors		40	5,790,410	–	2,421,500			8,211,910
<b>Total Councillors</b>	9	49	9,238,050	–	3,743,590			12,981,640
<b>Senior Managers of the Municipality</b>	6							
Municipal Manager (MM)		1	1,088,340	–	–	152,370	–	1,240,710
Chief Finance Officer		1	934,130	–	–	140,120	–	1,074,250
Deputy City Manager - Governance			–	–	–	–	–	–
Deputy City Manager - Procurement & Infrastructure		2	1,782,880	–	–	249,600	–	2,032,480
Deputy City Manager - Health, Safety & Social Issues		3	2,667,660	–	–	373,470	–	3,041,130
Deputy City Manager - Corporate & Human Resources		1	889,220	–	–	124,490	–	1,013,710
<i>List of each official with packages &gt;= senior manager</i>								
<b>Total Senior Managers of the Municipality</b>	9	8	7,362,230	–	–	1,040,050	–	8,402,280
<b>TOTAL COST OF COUNCILLOR, DIRECTOR and EXECUTIVE REMUNERATION</b>		57	16,600,280	–	3,743,590	1,040,050	–	21,383,920

**Table 36 – SA24: Summary of personnel numbers**

Summary of Personnel Numbers	2009/10			Current Year 2010/11			Budget Year 2011/12		
	Positions	Permanent employees	Contract employees	Positions	Permanent employees	Contract employees	Positions	Permanent employees	Contract employees
<b>Municipal Council and Boards of Municipal Entities</b>									
Councillors (Political Office Bearers plus Other Councillors)	39		39	39		39	49		49
Board Members of municipal entities	–		–	–		–	–		–
<b>Municipal employees</b>									
Municipal Manager and Senior Managers	8		6	8		7	8		7
Other Managers									
Professionals	33	33	–	33	33	–	33	33	–
Finance	15	15		15	15		15	15	
Spatial/town planning	9	9		9	9		9	9	
Information Technology									
Roads									
Electricity	4	4		4	4		4	4	
Water	1	1		1	1		1	1	
Sanitation	4	4		4	4		4	4	
Refuse									
Other	19	19		19	19		19	19	
Technicians	104	104	–	104	104	–	104	104	–
Finance	21	21		21	21		21	21	
Spatial/town planning	18	18		18	18		18	18	
Information Technology	1	1		1	1		1	1	
Roads	3	3		3	3		3	3	
Electricity	38	38		38	38		38	38	
Water	12	12		12	12		12	12	
Sanitation	11	11		11	11		11	11	
Refuse									
Other	41	41		41	41		41	41	
Clerks (Clerical and administrative)	163	163		163	163		163	163	
Service and sales workers	114	114		114	114		114	114	
Skilled agricultural and fishery workers									
Craft and related trades									
Plant and Machine Operators	69	69		69	69		69	69	
Elementary Occupations	419	419		419	419		419	419	
<b>TOTAL PERSONNEL NUMBERS</b>	1,009	962	45	1,009	962	46	1,019	962	56
<b>% increase</b>				–	–	2.2%	1.0%	–	21.7%
<b>Total municipal employees headcount</b>									
Finance personnel headcount									
Human Resources personnel headcount									

## 2.8.2 Monthly targets for revenue, expenditure and cash flow

**Table 37 – SA25: Budgeted monthly revenue and expenditure by revenue source and expenditure type**

Description	Budget Year 2011/12												Medium Term Revenue and Expenditure Framework		
	July	August	Sept.	October	November	December	January	February	March	April	May	June	Budget Year 2011/12	Budget Year +1 2012/13	Budget Year +2 2013/14
<b>Revenue By Source</b>															
Property rates	138,572	1,710	(100)	(199)	134	170	919	(2)	75	200	175	(2,155)	139,499	145,711	154,460
Property rates - penalties & collection charges	66	115	184	120	142	126	132	141	111	70	116	113	1,435	1,521	1,612
Service charges - electricity revenue	39,353	43,616	42,263	42,657	45,221	39,296	40,894	41,094	58,397	38,243	37,632	(70,186)	398,479	472,397	566,360
Service charges - water revenue	13,617	6,547	6,946	7,043	6,291	6,834	6,277	9,699	6,967	6,884	6,428	11,782	95,316	98,667	101,327
Service charges - sanitation revenue	58,089	279	369	381	357	495	642	535	430	82	288	170	62,118	65,088	68,455
Service charges - refuse revenue	48,189	(312)	88	38	133	(11)	143	83	130	118	76	(203)	48,472	51,211	53,995
Service charges - other	0	0	0	5	0	1	1	1	—	0	—	0	10	10	11
Rental of facilities and equipment	109	754	94	72	112	108	112	88	105	110	80	55	1,800	1,870	1,901
Interest earned - external investments	—	584	369	—	976	—	—	1,102	465	—	1,049	705	5,250	6,770	7,300
Interest earned - outstanding debtors	236	261	307	269	299	271	272	262	241	270	261	221	3,170	3,322	3,320
Dividends received	—	—	—	—	—	—	—	—	—	—	—	—	—	—	—
Fines	227	917	2,689	487	3,761	1,401	2,100	1,536	181	316	139	(501)	13,253	13,461	13,600
Licences and permits	172	173	146	191	115	175	162	285	152	211	207	196	2,184	2,285	2,394
Agency services	792	441	(67)	897	449	805	91	425	439	423	573	428	5,695	6,197	6,547
Transfers recognised - operational	29,303	1,199	936	814	1,090	23,828	1,143	814	14,200	1,668	816	52,638	128,450	103,916	119,860
Other revenue	803	1,772	877	1,912	682	895	994	807	1,095	978	871	1,512	13,198	12,632	12,855
Gains on disposal of PPE	—	—	—	—	—	—	—	—	—	—	—	—	—	—	—
<b>Total Revenue (excluding capital transfers and contrib</b>	<b>329,529</b>	<b>58,056</b>	<b>55,100</b>	<b>54,687</b>	<b>59,763</b>	<b>74,395</b>	<b>53,882</b>	<b>56,870</b>	<b>82,986</b>	<b>49,575</b>	<b>48,711</b>	<b>(5,224)</b>	<b>918,328</b>	<b>985,057</b>	<b>1,113,996</b>
<b>Expenditure By Type</b>															
Employee related costs	19,686	22,864	21,847	21,828	21,691	21,519	22,149	24,154	21,502	21,685	21,513	(9,760)	230,677	240,416	257,252
Remuneration of councillors	1,052	1,005	1,078	1,079	1,068	1,055	1,468	829	1,082	1,072	1,074	1,053	12,913	13,817	14,784
Debt impairment	781	606	583	1,472	946	809	1,504	2,018	722	889	565	583	11,476	10,300	10,500
Depreciation & asset impairment	7,687	7,687	7,687	7,687	7,687	7,687	7,687	7,687	7,687	7,687	7,687	7,895	92,452	84,187	78,667
Finance charges	192	192	192	192	192	28,897	192	192	289	192	192	192	28,166	59,085	59,680
Bulk purchases	449	36,122	34,453	19,686	19,991	19,701	15,527	15,172	14,606	15,997	14,901	42,678	249,284	309,925	393,600
Other materials	12	13	160	24	13	13	10	23	10	9	11	53	352	361	368
Contracted services	1,173	2,282	2,157	5,152	7,782	6,334	3,054	4,014	11,975	4,935	21,595	10,267	80,719	50,598	63,779
Transfers and grants	5,206	5,530	5,901	5,948	5,431	5,515	5,623	5,430	5,020	4,703	5,225	5,662	65,194	81,552	86,948
Other expenditure	9,623	15,448	17,593	13,794	24,146	17,913	12,989	12,279	15,608	8,189	11,185	4,277	163,043	156,440	172,719
Loss on disposal of PPE	—	—	—	—	—	—	—	—	—	—	—	—	—	—	—
<b>Total Expenditure</b>	<b>45,861</b>	<b>91,749</b>	<b>91,651</b>	<b>76,862</b>	<b>88,947</b>	<b>109,442</b>	<b>70,202</b>	<b>71,799</b>	<b>78,501</b>	<b>65,359</b>	<b>83,949</b>	<b>90,874</b>	<b>965,196</b>	<b>1,007,277</b>	<b>1,138,809</b>
<b>Surplus/(Deficit)</b>	<b>283,667</b>	<b>(33,693)</b>	<b>(36,551)</b>	<b>(22,176)</b>	<b>(29,185)</b>	<b>(35,047)</b>	<b>(16,320)</b>	<b>(14,929)</b>	<b>4,485</b>	<b>(15,784)</b>	<b>(35,238)</b>	<b>(96,098)</b>	<b>(46,867)</b>	<b>(22,220)</b>	<b>(24,813)</b>
Transfers recognised - capital	4,888	4,888	4,888	4,888	4,888	4,888	4,888	4,888	4,888	4,888	4,888	16,388	70,158	73,252	68,085
Contributions recognised - capital	—	—	—	—	—	—	—	—	—	—	—	—	—	—	—
Contributed assets	—	—	—	—	—	—	—	—	—	—	—	—	—	—	—
<b>Surplus/(Deficit) after capital transfers &amp; contributions</b>	<b>288,556</b>	<b>(28,805)</b>	<b>(31,663)</b>	<b>(17,287)</b>	<b>(24,297)</b>	<b>(30,159)</b>	<b>(11,432)</b>	<b>(10,041)</b>	<b>9,373</b>	<b>(10,895)</b>	<b>(30,349)</b>	<b>(79,710)</b>	<b>23,291</b>	<b>51,032</b>	<b>43,272</b>
Taxation	—	—	—	—	—	—	—	—	—	—	—	—	—	—	—
Attributable to minorities	—	—	—	—	—	—	—	—	—	—	—	—	—	—	—
Share of surplus/ (deficit) of associate	—	—	—	—	—	—	—	—	—	—	—	—	—	—	—
<b>Surplus/(Deficit)</b>	<b>288,556</b>	<b>(28,805)</b>	<b>(31,663)</b>	<b>(17,287)</b>	<b>(24,297)</b>	<b>(30,159)</b>	<b>(11,432)</b>	<b>(10,041)</b>	<b>9,373</b>	<b>(10,895)</b>	<b>(30,349)</b>	<b>(79,710)</b>	<b>23,291</b>	<b>51,032</b>	<b>43,272</b>

**Table 38 – SA26: Budgeted monthly revenue and expenditure by municipal vote**

Description	Budget Year 2011/12												Medium Term Revenue and Expenditure Framework		
R thousand	July	August	Sept.	October	November	December	January	February	March	April	May	June	Budget Year 2011/12	Budget Year +1 2012/13	Budget Year +2 2013/14
<b>Revenue by Vote</b>															
Vote1 - Governance	2	–	0	–	18	2	–	3	–	0	1	0	26	26	26
Vote2 - Office of the City Manager	–	–	–	–	–	–	–	–	–	–	–	–	–	–	–
Vote3 - Corporate & Human Resources	179	415	189	175	190	413	166	179	831	177	174	307	3,396	1,402	1,384
Vote4 - Sustainable Dev. & City Enterprises	176	941	196	172	218	332	233	180	255	150	318	49,355	52,528	35,484	51,289
Vote5 - Health, Safety & Social Services	1,291	1,819	3,077	1,725	4,684	2,527	2,790	2,373	909	1,958	1,001	597	24,751	24,314	24,807
Vote6 - Procurement & Infrastructure	165,190	57,099	55,772	57,308	58,056	52,701	54,188	57,521	72,152	51,658	50,480	(40,072)	692,052	757,392	850,161
Vote7 - Treasury	167,579	2,670	754	194	1,485	23,308	1,393	1,501	13,727	520	1,625	976	215,732	239,692	254,415
<b>Total Revenue by Vote</b>	<b>334,417</b>	<b>62,944</b>	<b>59,988</b>	<b>59,575</b>	<b>64,651</b>	<b>79,283</b>	<b>58,770</b>	<b>61,758</b>	<b>87,874</b>	<b>54,463</b>	<b>53,599</b>	<b>11,164</b>	<b>988,486</b>	<b>1,058,309</b>	<b>1,182,081</b>
<b>Expenditure by Vote to be appropriated</b>															
Vote1 - Governance	4,427	6,372	7,460	5,562	6,649	6,974	6,756	(5,807)	4,990	4,599	4,734	(28,224)	24,492	25,274	26,812
Vote2 - Office of the City Manager	223	704	842	1,433	1,501	1,967	571	487	574	1,107	824	1,191	11,423	12,355	13,498
Vote3 - Corporate & Human Resources	3,174	4,610	4,647	3,330	3,748	5,380	2,990	2,513	5,363	1,176	3,488	5,487	45,906	44,019	47,381
Vote4 - Sustainable Dev. & City Enterprises	2,805	3,704	2,443	5,439	9,600	5,638	3,855	11,534	12,798	6,832	23,394	(3,613)	84,430	53,569	66,160
Vote5 - Health, Safety & Social Services	4,810	6,355	6,217	6,351	5,853	8,356	5,643	6,840	6,353	5,797	5,704	8,170	76,450	77,773	81,766
Vote6 - Procurement & Infrastructure	22,052	60,266	59,958	45,260	49,932	67,921	41,177	43,936	39,175	37,422	37,369	93,605	598,073	651,461	746,825
Vote7 - Treasury	8,370	9,738	10,086	9,486	11,665	13,205	9,211	12,295	9,248	8,425	8,436	14,258	124,422	142,825	156,367
<b>Total Expenditure by Vote</b>	<b>45,861</b>	<b>91,749</b>	<b>91,651</b>	<b>76,862</b>	<b>88,947</b>	<b>109,442</b>	<b>70,202</b>	<b>71,799</b>	<b>78,501</b>	<b>65,359</b>	<b>83,949</b>	<b>90,874</b>	<b>965,196</b>	<b>1,007,277</b>	<b>1,138,809</b>
<b>Surplus/(Deficit) before assoc.</b>	<b>288,556</b>	<b>(28,805)</b>	<b>(31,663)</b>	<b>(17,287)</b>	<b>(24,297)</b>	<b>(30,159)</b>	<b>(11,432)</b>	<b>(10,041)</b>	<b>9,373</b>	<b>(10,895)</b>	<b>(30,349)</b>	<b>(79,710)</b>	<b>23,291</b>	<b>51,032</b>	<b>43,272</b>
Taxation	–	–	–	–	–	–	–	–	–	–	–	–	–	–	–
Attributable to minorities	–	–	–	–	–	–	–	–	–	–	–	–	–	–	–
Share of surplus/ (deficit) of associate	–	–	–	–	–	–	–	–	–	–	–	–	–	–	–
<b>Surplus/(Deficit)</b>	<b>288,556</b>	<b>(28,805)</b>	<b>(31,663)</b>	<b>(17,287)</b>	<b>(24,297)</b>	<b>(30,159)</b>	<b>(11,432)</b>	<b>(10,041)</b>	<b>9,373</b>	<b>(10,895)</b>	<b>(30,349)</b>	<b>(79,710)</b>	<b>23,291</b>	<b>51,032</b>	<b>43,272</b>

**Table 39 – SA27: Budgeted monthly revenue and expenditure by standard classification**

Description	Budget Year 2011/12												Medium Term Revenue and Expenditure Framework		
R thousand	July	August	Sept.	October	November	December	January	February	March	April	May	June	Budget Year 2011/12	Budget Year +1 2012/13	Budget Year +2 2013/14
<b>Revenue - Standard</b>															
<i>Governance and administration</i>	167,570	3,323	755	185	1,499	23,530	1,393	1,458	13,721	543	1,593	1,066	216,634	240,537	255,219
Executive and council	2	—	0	—	18	2	—	3	—	0	1	0	26	26	26
Budget and treasury office	167,457	2,565	665	103	1,380	23,222	1,284	1,360	13,631	430	1,504	869	214,472	238,412	253,115
Corporate services	110	757	90	81	100	306	109	95	90	112	88	197	2,136	2,100	2,078
<i>Community and public safety</i>	449	1,549	3,116	722	4,230	1,850	2,780	1,799	1,065	1,416	338	48,829	68,144	49,085	64,936
Community and social services	119	364	139	120	146	339	91	115	771	146	120	148	2,617	784	836
Sport and recreation	1	285	225	45	277	26	487	5	7	870	1	322	2,552	2,539	2,392
Public safety	200	783	2,656	459	3,695	1,391	2,085	1,529	182	303	87	(515)	12,855	13,008	13,141
Housing	129	116	97	99	112	93	117	150	104	98	129	48,874	50,120	32,754	48,567
Health	—	—	—	—	—	—	—	—	—	—	—	—	—	—	—
<i>Economic and environmental services</i>	1,872	1,635	1,029	2,045	1,533	1,848	1,084	1,639	1,652	1,501	1,846	5,588	23,271	23,939	13,869
Planning and development	145	260	186	172	203	121	199	169	246	117	310	615	2,743	2,993	2,993
Road transport	1,727	1,376	842	1,874	1,330	1,727	885	1,469	1,405	1,384	1,536	4,973	20,527	20,945	10,875
Environmental protection	0	0	0	0	0	0	0	0	0	0	0	0	1	1	1
<i>Trading services</i>	164,526	56,437	55,086	56,620	57,387	52,052	53,512	56,860	71,436	51,003	49,822	(44,320)	680,421	744,731	848,039
Electricity	40,488	44,819	43,428	44,136	46,423	40,628	42,096	42,284	59,563	39,490	38,846	(68,949)	413,253	476,449	571,364
Water	15,729	9,210	9,094	9,665	8,405	8,933	8,566	11,795	9,184	9,192	8,476	22,523	130,772	133,648	113,050
Waste water management	60,002	2,579	2,348	2,661	2,308	2,386	2,560	2,592	2,433	2,072	2,306	2,185	86,431	82,789	109,126
Waste management	48,306	(171)	215	159	250	105	290	189	256	249	194	(78)	49,965	51,846	54,500
<i>Other</i>	—	1	2	3	2	4	2	2	—	—	—	0	15	17	19
<b>Total Revenue - Standard</b>	<b>334,417</b>	<b>62,944</b>	<b>59,988</b>	<b>59,575</b>	<b>64,651</b>	<b>79,283</b>	<b>58,770</b>	<b>61,758</b>	<b>87,874</b>	<b>54,463</b>	<b>53,599</b>	<b>11,164</b>	<b>988,486</b>	<b>1,058,309</b>	<b>1,182,081</b>
<b>Expenditure - Standard</b>															
<i>Governance and administration</i>	15,941	21,096	22,940	19,474	24,561	25,294	19,249	7,535	18,235	17,375	18,883	(11,805)	198,777	218,273	236,269
Executive and council	4,522	6,682	7,643	5,795	6,846	7,161	6,958	(5,575)	5,198	4,815	4,942	(27,776)	27,211	28,134	29,828
Budget and treasury office	8,089	9,701	10,210	9,482	12,087	14,183	9,102	10,514	8,826	8,996	9,054	14,655	124,901	145,160	158,780
Corporate services	3,330	4,712	5,087	4,196	5,628	3,949	3,189	2,597	4,211	3,564	4,887	1,316	46,665	44,979	47,660
<i>Community and public safety</i>	6,700	8,515	7,267	10,426	12,429	14,493	7,780	18,565	19,194	9,274	26,153	7,069	147,865	116,926	132,560
Community and social services	1,011	1,260	1,215	1,205	1,211	2,950	1,177	1,314	3,029	(707)	1,340	3,176	18,181	17,655	18,381
Sport and recreation	887	1,292	1,557	1,376	1,032	2,973	1,223	1,631	1,701	1,243	1,266	2,363	18,545	18,643	19,340
Public safety	2,682	3,457	3,308	3,378	3,361	3,844	3,139	3,493	3,087	2,946	2,886	3,902	39,481	40,855	42,875
Housing	1,675	2,068	815	3,914	6,386	4,170	1,981	11,595	10,972	5,258	20,134	(3,116)	65,851	33,479	45,111
Health	445	438	372	554	439	555	260	533	404	535	527	745	5,807	6,295	6,852
<i>Economic and environmental services</i>	7,388	10,932	8,212	8,251	10,115	17,501	8,887	10,368	7,315	6,233	7,006	16,082	118,290	111,726	114,475
Planning and development	991	1,478	1,261	1,349	1,499	1,457	1,674	1,338	1,640	1,213	1,283	1,795	16,977	17,064	18,263
Road transport	6,265	9,053	6,675	6,639	8,331	15,777	6,944	8,633	5,397	4,723	5,455	13,937	97,829	90,992	92,350
Environmental protection	133	400	277	264	285	266	269	397	279	296	268	350	3,484	3,670	3,863
<i>Trading services</i>	15,683	50,986	53,040	38,488	41,413	51,989	34,090	35,126	33,537	32,231	31,696	79,314	497,593	557,521	652,485
Electricity	4,319	40,824	39,645	25,570	27,467	32,301	20,862	20,969	20,484	20,662	20,180	56,648	329,930	391,817	478,883
Water	4,470	4,886	6,059	5,791	6,553	9,762	5,003	6,304	5,684	5,631	5,692	12,005	78,741	76,836	79,949
Waste water management	4,576	2,605	4,378	3,983	4,043	6,900	4,262	4,567	3,837	3,348	3,529	7,217	53,244	53,266	56,168
Waste management	2,319	2,672	2,958	3,144	3,351	3,026	3,963	3,285	2,632	2,590	2,394	3,443	35,677	35,603	37,485
<i>Other</i>	148	220	193	224	429	166	196	205	220	245	211	214	2,671	2,831	3,020
<b>Total Expenditure - Standard</b>	<b>45,861</b>	<b>91,749</b>	<b>91,651</b>	<b>76,862</b>	<b>88,947</b>	<b>109,442</b>	<b>70,202</b>	<b>71,799</b>	<b>78,501</b>	<b>65,359</b>	<b>83,949</b>	<b>90,874</b>	<b>965,196</b>	<b>1,007,277</b>	<b>1,138,809</b>
<b>Surplus/(Deficit) before assoc.</b>	<b>288,556</b>	<b>(28,805)</b>	<b>(31,663)</b>	<b>(17,287)</b>	<b>(24,297)</b>	<b>(30,159)</b>	<b>(11,432)</b>	<b>(10,041)</b>	<b>9,373</b>	<b>(10,895)</b>	<b>(30,349)</b>	<b>(79,710)</b>	<b>23,291</b>	<b>51,032</b>	<b>43,272</b>
Share of surplus/ (deficit) of associate	—	—	—	—	—	—	—	—	—	—	—	—	—	—	—
<b>Surplus/(Deficit)</b>	<b>288,556</b>	<b>(28,805)</b>	<b>(31,663)</b>	<b>(17,287)</b>	<b>(24,297)</b>	<b>(30,159)</b>	<b>(11,432)</b>	<b>(10,041)</b>	<b>9,373</b>	<b>(10,895)</b>	<b>(30,349)</b>	<b>(79,710)</b>	<b>23,291</b>	<b>51,032</b>	<b>43,272</b>

**Table 40 – SA28: Budgeted monthly capital expenditure by municipal vote**

Description R thousand	Budget Year 2011/12												Medium Term Revenue and Expenditure Framework		
	July	August	Sept.	October	Nov.	Dec.	January	Feb.	March	April	May	June	Budget Year 2011/12	Budget Year +1 2012/13	Budget Year +2 2013/14
<b>Multi-year expenditure to be appropriated</b>															
Vote1 - Governance	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Vote2 - Office of the City Manager	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Vote3 - Corporate & Human Resources	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Vote4 - Sustainable Dev. & City Enterprises	-	-	-	-	-	-	-	-	-	-	-	-	-	11,700	12,000
Vote5 - Health, Safety & Social Services	-	-	-	-	338	338	338	488	488	488	638	488	3,600	20	70
Vote6 - Procurement & Infrastructure	-	3,100	24,300	4,900	14,700	8,700	6,600	14,300	14,250	12,999	10,716	6,132	120,697	108,760	84,995
Vote7 - Treasury	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
<b>Capital multi-year expenditure sub-total</b>	-	3,100	24,300	4,900	15,038	9,038	6,938	14,788	14,738	13,487	11,353	6,620	124,297	120,480	97,065
<b>Single-year expenditure to be appropriated</b>															
Vote1 - Governance	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Vote2 - Office of the City Manager	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Vote3 - Corporate & Human Resources	50	-	29	231	231	260	231	231	260	601	681	29	2,834	440	370
Vote4 - Sustainable Dev. & City Enterprises	200	250	525	427	200	65	-	-	65	-	-	888	2,620	4,058	10,018
Vote5 - Health, Safety & Social Services	-	-	380	300	300	-	-	-	-	-	-	-	980	702	1,477
Vote6 - Procurement & Infrastructure	-	183	426	1,493	2,962	2,835	1,360	3,515	4,562	5,925	5,640	3,000	31,901	45,805	50,435
Vote7 - Treasury	-	-	15	-	200	-	15	-	30	20	-	-	280	200	-
<b>Capital single-year expenditure sub-total</b>	250	433	1,375	2,451	3,893	3,160	1,606	3,746	4,917	6,546	6,321	3,917	38,615	51,205	62,300
<b>Total Capital Expenditure</b>	250	3,533	25,675	7,351	18,931	12,197	8,544	18,534	19,654	20,033	17,675	10,536	162,912	171,685	159,365

**Table 41 – SA29: Budgeted monthly capital expenditure by standard classification**

Description R thousand	Budget Year 2011/12												Medium Term Revenue and Expenditure Framework		
	July	August	Sept.	October	Nov.	Dec.	January	Feb.	March	April	May	June	Budget Year 2011/12	Budget Year +1 2012/13	Budget Year +2 2013/14
<b>Capital Expenditure - Standard</b>															
<i>Governance and administration</i>	50	–	15	800	700	–	15	–	30	20	–	–	1,630	1,000	40
Executive and council	–	–	–	–	–	–	–	–	–	–	–	–	–	–	–
Budget and treasury office	–	–	15	–	200	–	15	–	30	20	–	–	280	200	–
Corporate services	50	–	–	800	500	–	–	–	–	–	–	–	1,350	800	40
<i>Community and public safety</i>	200	250	634	658	769	662	569	719	812	1,089	1,319	1,404	9,084	16,610	23,785
Community and social services	–	–	94	231	431	325	231	231	325	601	681	94	3,244	3,018	4,188
Sport and recreation	–	–	–	–	338	338	338	488	488	488	638	488	3,600	408	1,090
Public safety	–	–	80	–	–	–	–	–	–	–	–	–	80	134	447
Housing	200	250	460	427	–	–	–	–	–	–	–	823	2,160	13,050	18,060
Health	–	–	–	–	–	–	–	–	–	–	–	–	–	–	–
<i>Economic and environmental services</i>	–	–	300	300	1,400	1,600	1,100	2,100	2,100	3,500	3,200	1,250	16,850	25,252	15,650
Planning and development	–	–	–	–	–	–	–	–	–	–	–	–	–	–	100
Road transport	–	–	300	300	1,400	1,600	1,100	2,100	2,100	3,500	3,200	1,250	16,850	25,242	15,540
Environmental protection	–	–	–	–	–	–	–	–	–	–	–	–	–	10	10
<i>Trading services</i>	–	3,283	24,726	5,593	16,062	9,935	6,860	15,715	16,712	15,424	13,156	7,882	135,348	128,823	119,890
Electricity	–	1,248	22,291	2,658	9,427	2,300	5,925	3,730	2,106	2,459	475	4,750	57,369	29,935	36,545
Water	–	2,020	2,020	2,520	5,020	5,020	520	6,520	7,010	5,000	4,666	500	40,816	41,536	30,945
Waste water management	–	15	415	415	1,615	2,615	415	5,265	7,396	7,765	7,615	2,632	36,163	51,553	47,300
Waste management	–	–	–	–	–	–	–	200	200	200	400	–	1,000	5,800	5,100
<i>Other</i>	–	–	–	–	–	–	–	–	–	–	–	–	–	–	–
<b>Total Capital Expenditure - Standard</b>	<b>250</b>	<b>3,533</b>	<b>25,675</b>	<b>7,351</b>	<b>18,931</b>	<b>12,197</b>	<b>8,544</b>	<b>18,534</b>	<b>19,654</b>	<b>20,033</b>	<b>17,675</b>	<b>10,536</b>	<b>162,912</b>	<b>171,685</b>	<b>159,365</b>

**Table 42 – SA30: Budgeted monthly cash flow**

MONTHLY CASH FLOWS	Budget Year 2011/12												Medium Term Revenue and Expenditure Framework		
R thousand	July	August	Sept.	October	November	December	January	February	March	April	May	June	Budget Year 2011/12	Budget Year +1 2012/13	Budget Year +2 2013/14
<b>Cash Receipts By Source</b>															
Property rates	5,379	14,792	18,827	6,724	8,069	10,758	5,379	5,379	13,448	5,379	18,827	21,516	134,477	140,465	148,899
Property rates - penalties & collection charges	43	72	115	72	86	136	93	86	136	172	201	222	1,435	1,521	1,612
Service charges - electricity revenue	11,524	15,365	19,207	15,365	17,286	16,518	16,518	15,749	18,054	19,207	19,591	199,750	384,134	455,391	545,971
Service charges - water revenue	4,594	5,513	6,891	5,054	5,513	5,054	8,729	7,351	9,188	9,188	9,188	15,620	91,885	95,115	97,679
Service charges - sanitation revenue	2,156	5,629	5,210	2,994	4,791	4,791	7,186	4,791	4,791	4,791	4,850	7,904	59,882	62,745	65,991
Service charges - refuse revenue	1,402	3,738	6,542	2,804	2,804	3,738	4,673	3,738	4,439	3,738	4,439	4,673	46,727	49,367	52,051
Service charges - other	1	1	1	1	1	1	1	1	1	1	1	1	10	10	11
Rental of facilities and equipment	360	144	90	144	162	180	90	144	90	108	144	144	1,800	1,870	1,901
Interest earned - external investments	420	420	473	420	420	473	420	420	473	420	420	473	5,250	6,770	7,300
Interest earned - outstanding debtors	244	244	275	244	244	275	244	244	275	244	244	275	3,056	3,202	3,201
Dividends received	—	—	—	—	—	—	—	—	—	—	—	—	—	—	—
Fines	398	795	1,988	1,060	1,988	795	1,060	928	1,060	1,060	1,060	1,060	13,253	13,461	13,600
Licences and permits	175	175	197	175	197	175	175	197	175	197	175	197	2,184	2,285	2,394
Agency services	456	513	456	456	456	513	456	456	513	456	456	513	5,695	6,197	6,547
Transfer receipts - operational	19,267	7,707	3,853	2,569	5,138	15,414	2,569	17,983	17,983	15,414	15,414	20,552	128,450	103,916	119,860
Other revenue	1,056	1,056	1,056	1,056	1,056	1,056	1,056	1,056	1,056	1,056	1,056	1,584	13,198	12,832	12,855
<b>Cash Receipts by Source</b>	<b>47,474</b>	<b>56,164</b>	<b>65,179</b>	<b>39,137</b>	<b>48,209</b>	<b>59,875</b>	<b>48,648</b>	<b>43,108</b>	<b>71,681</b>	<b>61,431</b>	<b>76,066</b>	<b>274,461</b>	<b>891,434</b>	<b>954,947</b>	<b>1,079,871</b>
<b>Other Cash Flows by Source</b>															
Transfer receipts - capital	7,016	6,665	2,806	2,105	6,314	8,419	5,613	8,419	10,524	2,806	5,262	4,209	70,158	73,252	68,085
Contributions recognised - capital & Contributed assets	—	—	—	—	—	—	—	—	—	—	—	—	—	—	—
Proceeds on disposal of PPE	100	—	—	3,450	50	150	100	150	150	50	150	650	5,000	25,000	25,000
Short term loans	—	—	—	—	—	—	—	—	—	—	—	—	—	—	—
Borrowing long term/refinancing	—	—	—	—	—	40,000	—	—	—	—	—	—	40,000	40,000	40,000
Increase (decrease) in consumer deposits	(32)	(99)	127	(139)	75	168	270	(12)	92	81	58	310	899	953	1,010
Decrease (Increase) in non-current debtors	—	—	—	—	—	—	—	—	—	—	—	—	—	—	—
Decrease (increase) other non-current receivables	(51)	(653)	(1,417)	726	(3,442)	(356)	563	(1,468)	1,351	486	410	4,362	511	435	359
Decrease (increase) in non-current investments	—	—	—	—	—	—	—	—	—	—	—	—	—	—	—
<b>Total Cash Receipts by Source</b>	<b>54,507</b>	<b>62,077</b>	<b>66,696</b>	<b>45,279</b>	<b>51,207</b>	<b>108,256</b>	<b>55,193</b>	<b>50,198</b>	<b>83,798</b>	<b>64,854</b>	<b>81,946</b>	<b>283,993</b>	<b>1,008,002</b>	<b>1,094,586</b>	<b>1,214,324</b>
<b>Cash Payments by Type</b>															
Employee related costs	17,744	17,744	17,744	17,744	35,489	17,744	17,744	17,744	17,744	17,744	17,744	17,744	230,677	240,416	257,252
Remuneration of councillors	1,076	1,076	1,076	1,076	1,076	1,076	1,076	1,076	1,076	1,076	1,076	1,076	12,913	13,817	14,784
Collection costs	—	550	498	1,100	390	418	451	528	616	276	503	171	5,500	5,800	6,500
Interest paid	—	—	194	—	—	29,361	—	—	—	168	—	29,361	59,085	59,680	60,192
Bulk purchases - Electricity	25	24,928	24,156	24,928	13,711	13,461	13,461	13,212	22,934	24,928	24,928	48,610	249,284	309,925	393,600
Bulk purchases - Water & Sewer	—	—	—	—	—	—	—	—	—	—	—	—	—	—	—
Other materials	5	8	95	11	11	12	39	12	11	25	53	70	352	361	368
Contracted services	3,592	2,914	3,479	8,314	9,202	9,121	4,867	8,314	10,736	6,727	6,727	6,727	80,719	50,598	63,779
Grants and subsidies paid - other municipalities	—	—	—	—	—	—	—	—	—	—	—	—	—	—	—
Grants and subsidies paid - other	4,238	4,238	4,564	5,216	5,216	10,757	4,890	4,564	4,564	5,216	5,867	5,867	65,194	81,552	86,948
General expenses	7,067	9,423	10,208	13,349	13,349	14,919	12,563	11,778	15,704	10,993	14,134	23,556	157,043	150,140	165,719
<b>Cash Payments by Type</b>	<b>33,747</b>	<b>60,881</b>	<b>62,014</b>	<b>71,738</b>	<b>78,443</b>	<b>96,871</b>	<b>55,092</b>	<b>57,228</b>	<b>73,385</b>	<b>67,152</b>	<b>71,033</b>	<b>133,184</b>	<b>860,768</b>	<b>912,290</b>	<b>1,049,142</b>
<b>Other Cash Flows/Payments by Type</b>															
Capital assets	9,775	9,775	19,549	9,775	9,775	13,033	9,775	13,033	19,549	9,775	19,549	19,549	162,912	171,685	159,365
Repayment of borrowing	—	—	439	—	—	14,958	—	—	—	465	—	14,958	30,819	34,688	38,619
Other Cash Flows/Payments	—	—	—	—	—	—	—	—	—	—	—	—	—	—	—
<b>Total Cash Payments by Type</b>	<b>43,522</b>	<b>70,656</b>	<b>82,002</b>	<b>81,513</b>	<b>88,218</b>	<b>124,861</b>	<b>64,867</b>	<b>70,261</b>	<b>92,935</b>	<b>77,392</b>	<b>90,582</b>	<b>167,691</b>	<b>1,054,498</b>	<b>1,118,663</b>	<b>1,247,126</b>
<b>NET INCREASE/(DECREASE) IN CASH HELD</b>	<b>10,985</b>	<b>(8,578)</b>	<b>(15,306)</b>	<b>(36,234)</b>	<b>(37,011)</b>	<b>(16,606)</b>	<b>(9,674)</b>	<b>(20,063)</b>	<b>(9,137)</b>	<b>(12,538)</b>	<b>(8,636)</b>	<b>116,303</b>	<b>(46,496)</b>	<b>(24,077)</b>	<b>(32,802)</b>
Cash/cash equivalents at the month/year begin:	202,492	213,477	204,899	189,593	153,359	116,348	99,742	90,068	70,005	60,868	48,329	39,693	202,492	155,996	131,919
Cash/cash equivalents at the month/year end:	213,477	204,899	189,593	153,359	116,348	99,742	90,068	70,005	60,868	48,329	39,693	155,996	155,996	131,919	99,117

### **2.8.3 Capital expenditure details**

The following three tables present details of the Municipality's capital expenditure programme.

**Table 43 – SA34a: Capital Expenditure on new assets by asset class**

Description	2007/8	2008/9	2009/10	Current Year 2010/11			2011/12 Medium Term Revenue & Expenditure Framework		
	Audited Outcome	Audited Outcome	Audited Outcome	Original Budget	Adjusted Budget	Full Year Forecast	Budget Year 2011/12	Budget Year +1 2012/13	Budget Year +2 2013/14
<b>R thousand</b>									
<b>Capital expenditure on new assets by Asset Class/Sub-class</b>									
<b>Infrastructure</b>	<b>187,586</b>	<b>250,749</b>	<b>181,498</b>	<b>133,612</b>	<b>127,847</b>	<b>127,847</b>	<b>104,946</b>	<b>102,985</b>	<b>75,545</b>
Infrastructure - Road transport	82,614	114,599	45,176	22,950	13,909	13,909	6,050	20,172	7,450
Roads, Pavements & Bridges	74,186	98,920	23,419	22,050	13,568	13,568	5,050	20,172	7,450
Storm water	8,428	15,679	21,757	900	341	341	1,000	–	–
Infrastructure - Electricity	17,585	42,788	46,558	54,312	56,670	56,670	55,799	21,075	27,000
Generation	–	–	–	–	–	–	–	–	–
Transmission & Reticulation	15,842	40,334	44,521	53,800	56,158	56,158	55,349	20,875	27,000
Street Lighting	1,743	2,453	2,037	512	512	512	450	200	–
Infrastructure - Water	49,535	54,686	76,863	40,950	41,179	41,179	21,166	33,786	25,895
Dams & Reservoirs	699	986	3,742	–	–	–	–	1,000	10,800
Water purification	–	–	–	–	–	–	–	–	–
Reticulation	48,836	53,700	73,121	40,950	41,179	41,179	21,166	32,786	15,095
Infrastructure - Sanitation	41,449	37,556	12,770	13,650	14,339	14,339	15,781	27,453	14,700
Reticulation	41,449	62,711	7,597	6,650	5,592	5,592	14,781	14,453	11,700
Sewerage purification	–	(25,155)	5,172	7,000	8,747	8,747	1,000	13,000	3,000
Infrastructure - Other	(3,597)	1,119	131	1,750	1,750	1,750	6,150	500	500
Waste Management	–	–	–	–	–	–	–	–	–
Transportation	597	1,119	131	–	–	–	6,000	–	–
Gas	2,440	–	–	1,750	1,750	1,750	150	500	500
Other	(6,634)	(0)	(0)	–	–	–	–	–	–
<b>Community</b>	<b>26,649</b>	<b>20,280</b>	<b>15,934</b>	<b>28,413</b>	<b>11,037</b>	<b>11,037</b>	<b>24,410</b>	<b>13,160</b>	<b>19,785</b>
Parks & gardens	592	(0)	–	–	–	–	–	–	–
Sportsfields & stadia	2,383	3,483	9,700	200	475	475	900	20	370
Swimming pools	–	–	–	–	–	–	–	–	–
Community halls	1,803	655	506	5,700	1,290	1,290	1,850	2,200	2,400
Libraries	68	–	–	240	200	200	–	–	–
Recreational facilities	709	708	–	5,500	527	527	17,500	–	–
Fire, safety & emergency	338	–	–	–	–	–	–	–	–
Security and policing	1,577	2,500	2,224	2,923	1,493	1,493	1,440	340	1,165
Buses	–	–	–	–	–	–	–	–	–
Clinics	–	–	–	–	–	–	–	–	–
Museums & Art Galleries	–	–	–	–	–	–	–	–	–
Cemeteries	–	(0)	–	–	–	–	–	–	–
Social rental housing	6,634	5,397	485	3,000	3,035	3,035	–	10,500	15,500
Other	12,546	7,536	3,019	10,850	4,017	4,017	2,720	100	350
<b>Heritage assets</b>	<b>–</b>	<b>–</b>	<b>–</b>	<b>–</b>	<b>–</b>	<b>–</b>	<b>–</b>	<b>–</b>	<b>–</b>
Buildings	–	–	–	–	–	–	–	–	–
Other	–	–	–	–	–	–	–	–	–
<b>Investment properties</b>	<b>–</b>	<b>–</b>	<b>–</b>	<b>–</b>	<b>–</b>	<b>–</b>	<b>–</b>	<b>–</b>	<b>–</b>
Housing development	–	–	–	–	–	–	–	–	–
Other	–	–	–	–	–	–	–	–	–
<b>Other assets</b>	<b>29,516</b>	<b>20,918</b>	<b>15,282</b>	<b>9,027</b>	<b>6,842</b>	<b>6,842</b>	<b>4,025</b>	<b>15,590</b>	<b>11,125</b>
General vehicles	11,009	7,157	48	1,800	1,800	1,800	1,800	700	200
Specialised vehicles	338	1,526	–	–	–	–	–	–	50
Plant & equipment	4,368	7,477	13,649	5,687	3,907	3,907	1,560	7,936	5,005
Computers - hardware/equipment	1,770	913	484	250	170	170	360	594	180
Furniture and other office equipment	2,795	2,012	21	1,240	915	915	305	360	480
Abattoirs	–	–	–	–	–	–	–	–	–
Markets	–	52	–	–	–	–	–	–	–
Civic Land and Buildings	2,190	465	174	–	–	–	–	2,500	2,510
Other Buildings	4,009	(201,231)	906	–	–	–	–	–	–
Other Land	–	201,608	–	–	–	–	–	–	–
Surplus Assets - (Investment or Inventory)	–	–	–	–	–	–	–	–	–
Other	3,036	938	–	50	50	50	–	3,500	2,700
<b>Agricultural assets</b>	<b>–</b>	<b>–</b>	<b>–</b>	<b>–</b>	<b>–</b>	<b>–</b>	<b>–</b>	<b>–</b>	<b>–</b>
List sub-class	–	–	–	–	–	–	–	–	–
<b>Biological assets</b>	<b>–</b>	<b>–</b>	<b>–</b>	<b>–</b>	<b>–</b>	<b>–</b>	<b>–</b>	<b>–</b>	<b>–</b>
List sub-class	–	–	–	–	–	–	–	–	–
<b>Intangibles</b>	<b>1,191</b>	<b>90</b>	<b>–</b>	<b>189</b>	<b>889</b>	<b>889</b>	<b>1,130</b>	<b>10</b>	<b>10</b>
Computers - software & programming	64	106	–	189	889	889	1,130	10	10
Town planning	–	(15)	–	–	–	–	–	–	–
Valuation roll	1,127	–	–	–	–	–	–	–	–
<b>Total Capital Expenditure on new assets</b>	<b>244,942</b>	<b>292,037</b>	<b>212,714</b>	<b>171,241</b>	<b>146,615</b>	<b>146,615</b>	<b>134,511</b>	<b>131,745</b>	<b>106,465</b>
<b>Specialised vehicles</b>	<b>338</b>	<b>1,526</b>	<b>–</b>	<b>–</b>	<b>–</b>	<b>–</b>	<b>–</b>	<b>–</b>	<b>50</b>
Refuse	–	928	–	–	–	–	–	–	–
Fire	338	399	–	–	–	–	–	–	50
Conservancy	–	196	–	–	–	–	–	–	–
Ambulances	–	2	–	–	–	–	–	–	–

**Table 44 – SA34b: Capital Expenditure on the renewal of assets by asset class**

Description	2007/8	2008/9	2009/10	Current Year 2010/11			2011/12 Medium Term Revenue & Expenditure Framework		
	Audited Outcome	Audited Outcome	Audited Outcome	Original Budget	Adjusted Budget	Full Year Forecast	Budget Year 2011/12	Budget Year +1 2012/13	Budget Year +2 2013/14
<b>R thousand</b>									
<b>Capital expenditure on renewal of existing assets by Asset Class/Sub-class</b>									
<b>Infrastructure</b>	<b>2,587</b>	<b>(11,722)</b>	<b>26,242</b>	<b>2,400</b>	<b>2,200</b>	<b>2,200</b>	<b>25,532</b>	<b>37,600</b>	<b>50,200</b>
Infrastructure - Road transport	–	(9,174)	(2,681)	–	–	–	2,000	5,000	8,000
Roads, Pavements & Bridges	–	(9,174)	(2,681)	–	–	–	2,000	5,000	5,000
Storm water	–	–	–	–	–	–	–	–	3,000
Infrastructure - Electricity	2,185	(2,145)	242	900	700	700	3,100	7,800	8,400
Generation	–	–	–	–	–	–	–	–	–
Transmission & Reticulation	2,185	(2,145)	242	900	700	700	3,100	7,800	8,400
Street Lighting	–	–	–	–	–	–	–	–	–
Infrastructure - Water	402	(402)	28,681	1,500	1,500	1,500	4,000	3,450	3,450
Dams & Reservoirs	–	–	–	–	–	–	–	–	–
Water purification	–	–	–	–	–	–	–	–	–
Reticulation	402	(402)	28,681	1,500	1,500	1,500	4,000	3,450	3,450
Infrastructure - Sanitation	–	–	(0)	–	–	–	16,432	21,350	30,350
Reticulation	–	–	(0)	–	–	–	200	200	200
Sewerage purification	–	–	(0)	–	–	–	16,232	21,150	30,150
Infrastructure - Other	–	–	–	–	–	–	–	–	–
Waste Management	–	–	–	–	–	–	–	–	–
Transportation	–	–	–	–	–	–	–	–	–
Gas	–	–	–	–	–	–	–	–	–
Other	–	–	–	–	–	–	–	–	–
<b>Community</b>	<b>–</b>	<b>499</b>	<b>3,871</b>	<b>1,540</b>	<b>–</b>	<b>–</b>	<b>2,770</b>	<b>640</b>	<b>970</b>
Parks & gardens	–	–	–	–	–	–	–	–	–
Sportsfields & stadia	–	–	–	–	–	–	–	(50)	–
Swimming pools	–	–	–	–	–	–	–	50	–
Community halls	–	–	–	–	–	–	–	200	300
Libraries	–	–	–	–	–	–	–	–	–
Recreational facilities	–	–	–	–	–	–	–	–	–
Fire, safety & emergency	–	–	–	–	–	–	–	–	–
Security and policing	–	–	–	–	–	–	–	–	–
Buses	–	–	–	–	–	–	–	–	–
Clinics	–	–	–	–	–	–	–	–	–
Museums & Art Galleries	–	–	–	–	–	–	–	–	–
Cemeteries	–	–	–	–	–	–	–	–	–
Social rental housing	–	–	–	–	–	–	–	–	–
Other	–	499	3,871	1,540	–	–	2,770	440	670
<b>Heritage assets</b>	<b>–</b>	<b>–</b>	<b>–</b>	<b>–</b>	<b>–</b>	<b>–</b>	<b>–</b>	<b>–</b>	<b>–</b>
Buildings	–	–	–	–	–	–	–	–	–
Other	–	–	–	–	–	–	–	–	–
<b>Investment properties</b>	<b>–</b>	<b>–</b>	<b>–</b>	<b>–</b>	<b>–</b>	<b>–</b>	<b>–</b>	<b>–</b>	<b>–</b>
Housing development	–	–	–	–	–	–	–	–	–
Other	–	–	–	–	–	–	–	–	–
<b>Other assets</b>	<b>–</b>	<b>–</b>	<b>239</b>	<b>–</b>	<b>–</b>	<b>–</b>	<b>99</b>	<b>1,700</b>	<b>1,730</b>
General vehicles	–	–	–	–	–	–	–	–	100
Specialised vehicles	–	–	–	–	–	–	–	–	–
Plant & equipment	–	–	239	–	–	–	–	1,010	1,000
Computers - hardware/equipment	–	–	–	–	–	–	40	50	50
Furniture and other office equipment	–	–	–	–	–	–	49	140	80
Abattoirs	–	–	–	–	–	–	–	–	–
Markets	–	–	–	–	–	–	–	–	–
Civic Land and Buildings	–	–	–	–	–	–	–	–	–
Other Buildings	–	–	–	–	–	–	–	–	–
Other Land	–	–	–	–	–	–	–	–	–
Surplus Assets - (Investment or Inventory)	–	–	–	–	–	–	–	–	–
Other	–	–	–	–	–	–	10	500	500
<b>Agricultural assets</b>	<b>–</b>	<b>–</b>	<b>–</b>	<b>–</b>	<b>–</b>	<b>–</b>	<b>–</b>	<b>–</b>	<b>–</b>
List sub-class	–	–	–	–	–	–	–	–	–
<b>Biological assets</b>	<b>–</b>	<b>–</b>	<b>–</b>	<b>–</b>	<b>–</b>	<b>–</b>	<b>–</b>	<b>–</b>	<b>–</b>
List sub-class	–	–	–	–	–	–	–	–	–
<b>Intangibles</b>	<b>–</b>	<b>–</b>	<b>–</b>	<b>–</b>	<b>–</b>	<b>–</b>	<b>–</b>	<b>–</b>	<b>–</b>
Computers - software & programming	–	–	–	–	–	–	–	–	–
Other (list sub-class)	–	–	–	–	–	–	–	–	–
<b>Total Capital Expenditure on renewal of existing assets</b>	<b>2,587</b>	<b>(11,222)</b>	<b>30,352</b>	<b>3,940</b>	<b>2,200</b>	<b>2,200</b>	<b>28,401</b>	<b>39,940</b>	<b>52,900</b>
<b>Specialised vehicles</b>	<b>–</b>	<b>–</b>	<b>–</b>	<b>–</b>	<b>–</b>	<b>–</b>	<b>–</b>	<b>–</b>	<b>–</b>
Refuse	–	–	–	–	–	–	–	–	–
Fire	–	–	–	–	–	–	–	–	–
Conservancy	–	–	–	–	–	–	–	–	–
Ambulances	–	–	–	–	–	–	–	–	–

**Table 45 – SA34c: Repairs and maintenance expenditure by asset class**

Description	2007/8	2008/9	2009/10	Current Year 2010/11			2011/12 Medium Term Revenue & Expenditure Framework		
	Audited Outcome	Audited Outcome	Audited Outcome	Original Budget	Adjusted Budget	Full Year Forecast	Budget Year 2011/12	Budget Year +1 2012/13	Budget Year +2 2013/14
<b>Repairs and maintenance expenditure by Asset Class/Sub-class</b>									
<b>Infrastructure</b>	<b>51,183</b>	<b>42,091</b>	<b>38,988</b>	<b>42,547</b>	<b>42,503</b>	<b>42,503</b>	<b>46,331</b>	<b>47,741</b>	<b>55,731</b>
Infrastructure - Road transport	22,894	17,431	18,864	18,280	17,785	17,785	19,340	19,650	24,020
Roads, Pavements & Bridges	22,894	17,431	18,864	18,280	12,600	12,600	13,740	13,950	16,720
Storm water	–	–	–	–	5,185	5,185	5,600	5,700	7,300
Infrastructure - Electricity	12,430	11,395	7,175	9,476	9,006	9,006	10,076	10,621	11,514
Generation	–	–	–	–	–	–	–	–	–
Transmission & Reticulation	11,211	9,826	6,252	8,176	7,706	7,706	8,656	9,121	9,814
Street Lighting	1,220	1,569	923	1,300	1,300	1,300	1,420	1,500	1,700
Infrastructure - Water	8,800	6,770	6,292	7,211	6,463	6,463	7,680	7,935	8,612
Dams & Reservoirs	–	–	–	–	–	–	–	–	–
Water purification	202	242	200	271	321	321	220	255	272
Reticulation	8,599	6,528	6,091	6,940	6,142	6,142	7,460	7,680	8,340
Infrastructure - Sanitation	7,051	6,475	6,657	7,570	9,240	9,240	9,225	9,525	11,575
Reticulation	6,794	5,640	6,105	7,200	8,610	8,610	8,700	9,000	11,000
Sewerage purification	256	835	552	370	630	630	525	525	575
Infrastructure - Other	8	20	–	10	10	10	10	10	10
Waste Management	8	20	–	10	10	10	10	10	10
Transportation	–	–	–	–	–	–	–	–	–
Gas	–	–	–	–	–	–	–	–	–
Other	–	–	–	–	–	–	–	–	–
<b>Community</b>	<b>2,320</b>	<b>1,678</b>	<b>1,891</b>	<b>5,627</b>	<b>3,816</b>	<b>3,816</b>	<b>2,337</b>	<b>1,968</b>	<b>2,171</b>
Parks & gardens	511	332	385	2,514	564	564	355	385	418
Sportsfields & stadia	697	685	335	361	493	493	681	501	531
Swimming pools	112	230	211	220	220	220	250	265	350
Community halls	–	–	–	3	–	–	3	3	3
Libraries	–	–	–	–	–	–	–	–	–
Recreational facilities	59	29	35	26	26	26	27	28	30
Fire, safety & emergency	0	1	–	1	–	–	1	1	1
Security and policing	172	211	189	242	233	233	247	262	280
Buses	–	–	–	–	–	–	–	–	–
Clinics	–	–	–	–	–	–	–	–	–
Museums & Art Galleries	–	–	–	–	–	–	–	–	–
Cemeteries	78	7	–	43	43	43	23	23	23
Social rental housing	459	–	437	1,867	1,700	1,700	350	350	350
Other	231	185	300	350	537	537	400	150	185
<b>Heritage assets</b>	<b>–</b>	<b>–</b>	<b>–</b>	<b>–</b>	<b>–</b>	<b>–</b>	<b>–</b>	<b>–</b>	<b>–</b>
Buildings	–	–	–	–	–	–	–	–	–
Other	–	–	–	–	–	–	–	–	–
<b>Investment properties</b>	<b>–</b>	<b>–</b>	<b>–</b>	<b>–</b>	<b>–</b>	<b>–</b>	<b>–</b>	<b>–</b>	<b>–</b>
Housing development	–	–	–	–	–	–	–	–	–
Other	–	–	–	–	–	–	–	–	–
<b>Other assets</b>	<b>7,769</b>	<b>8,920</b>	<b>10,168</b>	<b>10,602</b>	<b>12,817</b>	<b>12,817</b>	<b>14,071</b>	<b>12,561</b>	<b>13,877</b>
General vehicles	1,565	3,110	3,716	3,580	2,211	2,211	2,484	2,633	2,798
Specialised vehicles	–	–	–	–	1,058	1,058	1,450	1,215	1,281
Plant & equipment	5,696	5,496	5,844	6,214	8,565	8,565	9,118	7,923	8,999
Computers - hardware/equipment	107	93	55	190	190	190	210	210	210
Furniture and other office equipment	154	162	274	238	395	395	502	272	279
Abattoirs	–	–	–	–	–	–	–	–	–
Markets	–	–	–	–	–	–	–	–	–
Civic Land and Buildings	113	–	–	–	–	–	–	–	–
Other Buildings	–	–	–	–	–	–	–	–	–
Other Land	–	–	–	–	–	–	–	–	–
Surplus Assets - (Investment or Inventory)	–	–	–	–	–	–	–	–	–
Other	134	58	279	380	398	398	307	309	310
<b>Agricultural assets</b>	<b>–</b>	<b>–</b>	<b>–</b>	<b>–</b>	<b>–</b>	<b>–</b>	<b>–</b>	<b>–</b>	<b>–</b>
List sub-class	–	–	–	–	–	–	–	–	–
<b>Biological assets</b>	<b>–</b>	<b>–</b>	<b>–</b>	<b>–</b>	<b>–</b>	<b>–</b>	<b>–</b>	<b>–</b>	<b>–</b>
List sub-class	–	–	–	–	–	–	–	–	–
<b>Intangibles</b>	<b>394</b>	<b>1,574</b>	<b>1,399</b>	<b>2,148</b>	<b>2,113</b>	<b>2,113</b>	<b>2,373</b>	<b>2,535</b>	<b>2,848</b>
Computers - software & programming	394	1,574	1,399	2,148	2,113	2,113	2,373	2,535	2,848
Other (list sub-class)	–	–	–	–	–	–	–	–	–
<b>Total Repairs and Maintenance Expenditure</b>	<b>61,666</b>	<b>54,262</b>	<b>52,446</b>	<b>60,925</b>	<b>61,248</b>	<b>61,248</b>	<b>65,113</b>	<b>64,806</b>	<b>74,628</b>
<b>Specialised vehicles</b>	<b>–</b>	<b>–</b>	<b>–</b>	<b>–</b>	<b>1,058</b>	<b>1,058</b>	<b>1,450</b>	<b>1,215</b>	<b>1,281</b>
Refuse	–	–	–	–	850	850	1,200	950	1,000
Fire	–	–	–	–	208	208	250	265	281
Conservancy	–	–	–	–	–	–	–	–	–
Ambulances	–	–	–	–	–	–	–	–	–

**2.8.4 Detailed capital budget per municipal vote**

Table 46 – SA36: Detailed capital budget per municipal vote

Municipal Vote/Capital project	Ref	Program/Project description	Project number	IDP Goal code 3.	Asset Class 4.	Asset Sub-Class 4.	Total Project Estimate	Prior year outcomes		2011/12 Medium Term Revenue & Expenditure Framework			Project information	
								Audited Outcome 2009/10	Current Year 2010/11 Full Year Forecast	Budget Year 2011/12	Budget Year +1 2012/13	Budget Year +2 2013/14	Ward location	New or renewal
R thousand	5													
<b>Parent municipality:</b>														
<i>List all capital projects grouped by Municipal Vote</i>					<i>Examples</i>	<i>Examples</i>								
Health, Safety & Social Services - Sport & Recreation		Upgr Thembaletu Sport Infrastructure		M	Community	Sportsfields	913	693	200		20		13	Renewal
Health, Safety & Social Services - Sport & Recreation		Upgr Maraiskamp/Parkdene Sport Infrastructure		M	Community	Sportsfields	1,806	856		900		50	7	New
Health, Safety & Social Services - Sport & Recreation		Lawaakamp Soccer Stadium		M	Community	Sportsfields	4,241	3,926	275		20	20	7,20	New
Health, Safety & Social Services - Sport & Recreation		Upgr Outeniqua Park Sport Infrastructure		M	Community	Sportsfields	6,650	6,650					3	Renewal
Health, Safety & Social Services - Sport & Recreation		Upgr Touwsrante Sport Infrastructure		M	Community	Sportsfields	524	474				50	4	Renewal
Health, Safety & Social Services - Sport & Recreation		Upgr Rosemore Sport Infrastructure		M	Community	Sportsfields	3,020	243	27	2,700		50	5	Renewal
Health, Safety & Social Services - Sport & Recreation		Swimming pool upgrading		M	Other Assets	Plant & equipment	580		530		50		Non-ward specific	New
Health, Safety & Social Services - Sport & Recreation		Equipment		M	Other Assets	Plant & equipment	38				38		Non-ward specific	New
Health, Safety & Social Services - Sport & Recreation		Upgr Outeniqua Bowling Club		M	Community	Recreational facilities	40				20	20	3	Renewal
Health, Safety & Social Services - Sport & Recreation		Upgr Pacaltsdorp club house		M	Community	Recreational facilities	400				50	350	14,15	Renewal
Health, Safety & Social Services - Sport & Recreation		Upgr New Dawn Park Sport Infrastructure		M	Community	Sportsfields	30				30		14	Renewal
Health, Safety & Social Services - Sport & Recreation		Baseball facility - Pacaltsdorp		M	Community	Sportsfields	300					300	14,15	New
Health, Safety & Social Services - Fire Services		Satellite Fire Stations		H	Community	Fire stations	1,452	1,252	200				4,9-13	New
Health, Safety & Social Services - Fire Services		Fire fighting equipment		H	Other Assets	Plant & equipment	204		50		54	100	Non-ward specific	New
Health, Safety & Social Services - Fire Services		Generator		H	Other Assets	Plant & equipment	80				80		Non-ward specific	New
Health, Safety & Social Services - Environmental Admin		Furniture & Fittings		X	Other Assets	Furniture and fittings	78	8	50		10	10	Non-ward specific	New
Health, Safety & Social Services - Traffic Services		CCTV Cameras (Mobility Strategy project)		H	Other Assets	Plant & equipment	2,000		2,000				Non-ward specific	New
Health, Safety & Social Services - Traffic Services		Furniture & Fittings		H	Other Assets	Furniture and fittings	377		50	80		247	Non-ward specific	New
Health, Safety & Social Services - Traffic Services		Replacement of vehicles		H	Other Assets	General vehicles	100					100	Non-ward specific	Renewal
Health, Safety & Social Services - Vehicle Registration		Circle at Vehicle Registration centre		I	Infrastructure - Road transport	Roads, Pavements, Bridges & So	900			900			Non-ward specific	New
Health, Safety & Social Services - Cemeteries		Upgr Drainage - York street cemetery		K	Infrastructure - Road transport	Roads, Pavements, Bridges & So	170				170		Non-ward specific	New
Health, Safety & Social Services - Parks and Gardens		Pedestrian path - Victoria Bay		K	Infrastructure - Road transport	Roads, Pavements, Bridges & So	150				100	50	Non-ward specific	New
Health, Safety & Social Services - Parks and Gardens		Equipment		K	Other Assets	Plant & equipment	80				80		Non-ward specific	New
<b>Sub-total: Health, Safety &amp; Social Services</b>							24,134	14,103	3,382	4,580	722	1,347		
Corporate & Human Resources - Libraries		Libraries		Y	Community	Libraries	383		183			200	Non-ward specific	Renewal
Corporate & Human Resources - Libraries		Literacy programme		Y	Intangibles	Computer software	18		18				Non-ward specific	New
Corporate & Human Resources - Libraries		ICT System		Y	Other Assets	Computer hardware	11		11				Non-ward specific	New
Corporate & Human Resources - IT Services		Disaster Management Hardware & Software		X	Other Assets	Computer hardware	654	484	170				Non-ward specific	New
Corporate & Human Resources - IT Services		Recovery Plan		X	Intangibles	Computer software	250				250		Non-ward specific	New
Corporate & Human Resources - Corporate Services		Furniture & Fittings		X	Other Assets	Furniture and fittings	1,684	13	515	420	378	358	Non-ward specific	New
Corporate & Human Resources - Corporate Services		Leave Module		X	Intangibles	Computer software	120			120			Non-ward specific	New
Corporate & Human Resources - Community Halls		Parkdene Community hall (new)		K	Community	Community halls	2,105	500	1,605				8	New
Corporate & Human Resources - Community Halls		Thembaletu Community hall (new)		K	Community	Community halls	3,124	3	367	2,754			9-13	New
Corporate & Human Resources - Community Halls		Kleinkrantz Community hall (new)		K	Community	Community halls	3,173	3			2,200	970	4	New
Corporate & Human Resources - Community Halls		Upgr Civic Centre		K	Community	Community halls	450				200	250	18	Renewal
Corporate & Human Resources - Community Halls		Pacaltsdorp Community hall		K	Community	Community halls	170				120	50	15	Renewal
Corporate & Human Resources - Community Halls		Asazani Community Hall (new)		K	Community	Community halls	2,400					2,400	9-13	New
<b>Sub-total: Corporate &amp; Human Resources</b>							14,542	1,003	2,869	3,294	3,148	4,228		

George Municipality – 2011/12 Annual Budget and MTREF

Municipal Vote/Capital project	Ref	Program/Project description	Project number	IDP Goal code 3.	Asset Class 4.	Asset Sub-Class 4.	Total Project Estimate	Prior year outcomes		2011/12 Medium Term Revenue & Expenditure Framework			Project information	
								Audited Outcome 2009/10	Current Year 2010/11 Full Year Forecast	Budget Year 2011/12	Budget Year +1 2012/13	Budget Year +2 2013/14	Ward location	New or renewal
R thousand	5													
Sustainable Dev. & City Enterprises - Housing		Lawaakamp Creche		F	Community	Care centres	838	838					7,20	Renewal
Sustainable Dev. & City Enterprises - Housing		Parkdene Creche		F	Community	Care centres	2,570	30	380	2,160			8	New
Sustainable Dev. & City Enterprises - Housing		Kleinkrantz Creche		F	Community	Care centres	400		400				4	New
Sustainable Dev. & City Enterprises - Housing		Upgrading of Informal-formal Housing		F	Community	Housing Schemes	11,985	485	6,000		3,500	2,000	Non-ward specific	New
Sustainable Dev. & City Enterprises - Housing		Equipment		F	Other Assets	Plant & equipment	168	3	65		50	50	Non-ward specific	New
Sustainable Dev. & City Enterprises - Housing		Transit Camps		F	Land and Buildings	Vacantland	411	174	237				Non-ward specific	New
Sustainable Dev. & City Enterprises - Housing		Fence at Touwsrante housing project		F	Community	Security and policing	900		900				4	New
Sustainable Dev. & City Enterprises - Housing		Purchase of land		F	Land and Buildings	Vacantland	5,045		35		2,500	2,510	Non-ward specific	New
Sustainable Dev. & City Enterprises - Housing		Purchase of property		F	Community	Social rental housing	20,500				7,000	13,500	Non-ward specific	New
Sustainable Dev. & City Enterprises - Local Economic Development		Masakhane Mall		N	Infrastructure - Road Transport	Roads, Pavements, Bridges & So	332	332					7,20	Renewal
Sustainable Dev. & City Enterprises - Local Economic Development		Resource centre - equipment		N	Other Assets	Plant & equipment	100					100	Non-ward specific	New
<b>Sub-total: Sustainable Development &amp; City Enterprises</b>							43,250	1,863	8,017	2,160	13,050	18,160		
Procurement & Infrastructure - Electricity		Schaapkop 66kv Substation		D	Infrastructure - Electricity	Supply/reticulation	50,879	22,879	20,000	5,000	2,000	1,000	Non-ward specific	New
Procurement & Infrastructure - Electricity		Protea Park 66kv Substation		D	Infrastructure - Electricity	Supply/reticulation	8,358	3,358				5,000	5	New
Procurement & Infrastructure - Electricity		Proefplaas 66kv Substation		D	Infrastructure - Electricity	Supply/reticulation	9,852	9,852					16	New
Procurement & Infrastructure - Electricity		Herolds Bay 66kv Substation		D	Infrastructure - Electricity	Supply/reticulation	14,568	68	3,000	5,000	4,500	2,000	16	New
Procurement & Infrastructure - Electricity		Energy Management		D	Infrastructure - Electricity	Supply/reticulation	9,948	990	4,958	4,000	-	-	Non-ward specific	New
Procurement & Infrastructure - Electricity		Upgr and Extension of 11kv network		D	Infrastructure - Electricity	Supply/reticulation	15,838	3,888	300	500	5,150	6,000	Non-ward specific	Renewal
Procurement & Infrastructure - Electricity		Replace obsolete switchgear & equipment		D	Infrastructure - Electricity	Supply/reticulation	10,462	712	500	1,250	4,000	4,000	Non-ward specific	Renewal
Procurement & Infrastructure - Electricity		Upgr Low voltage cables		D	Infrastructure - Electricity	Supply/reticulation	7,871	571	1,300		3,000	3,000	Non-ward specific	Renewal
Procurement & Infrastructure - Electricity		Ad-hoc development		D	Infrastructure - Electricity	Supply/reticulation	1,400				400	1,000	Non-ward specific	New
Procurement & Infrastructure - Electricity		Electrification schemes		D	Infrastructure - Electricity	Supply/reticulation	41,997	5,573	6,900	20,999	3,375	5,150	Non-ward specific	New
Procurement & Infrastructure - Electricity		Equipment		D	Other Assets	Electrical equipment	4,499	684	290	620	1,510	1,395	Non-ward specific	New
Procurement & Infrastructure - Electricity		Eskom Extension Cost		D	Infrastructure - Electricity	Supply/reticulation	46,000		20,000	20,000	6,000		Non-ward specific	New
Procurement & Infrastructure - Electricity		Expansion of master plan		D	Infrastructure - Electricity	Supply/reticulation	3,000					3,000	Non-ward specific	New
Procurement & Infrastructure - Electricity		New Transformers		D	Infrastructure - Electricity	Supply/reticulation	5,000					5,000	Non-ward specific	Renewal
Procurement & Infrastructure - Fleet Management		Vehicles		X	Other Assets	General vehicles	4,548	48	1,800	1,800	700	200	Non-ward specific	New/Renewal
Procurement & Infrastructure - Fleet Management		Petrol Management System		X	Intangibles	Computer software	1,000			1,000			Non-ward specific	Renewal
Procurement & Infrastructure - Streets and Stormwater		Streetlighting		E	Infrastructure - Electricity	Street lighting	1,978	815	512	450	200		Non-ward specific	New
Procurement & Infrastructure - Streets and Stormwater		Flooddamage Projects		C	Infrastructure - Road transport	Roads, Pavements, Bridges & So	6,742	6,742					Non-ward specific	Renewal
Procurement & Infrastructure - Streets and Stormwater		Upgr Pine Witfontein Intersection		C	Infrastructure - Road transport	Roads, Pavements, Bridges & So	5,929	5,929					2	New
Procurement & Infrastructure - Streets and Stormwater		Erf 325 services - Low cost housing services		C	Infrastructure - Road transport	Roads, Pavements, Bridges & So	1,096	1,096					15	New
Procurement & Infrastructure - Streets and Stormwater		Public Works Programme		C	Infrastructure - Road transport	Roads, Pavements, Bridges & So	6,688	4,688	2,000				Non-ward specific	New
Procurement & Infrastructure - Streets and Stormwater		Rebuilding of Streets		C	Infrastructure - Road transport	Roads, Pavements, Bridges & So	15,126	5,126			5,000	5,000	Non-ward specific	Renewal
Procurement & Infrastructure - Streets and Stormwater		Resealing of Streets		C	Infrastructure - Road transport	Roads, Pavements, Bridges & So	19,781	1,781	5,000	5,000	5,000	3,000	Non-ward specific	Renewal
Procurement & Infrastructure - Streets and Stormwater		Upgr of Roads and Stormwater networks		C	Infrastructure - Road transport	Storm water	12,767	6,722	45	3,000		3,000	Non-ward specific	Renewal
Procurement & Infrastructure - Streets and Stormwater		Mobility Strategy project		C	Infrastructure - Road transport	Roads, Pavements, Bridges & So	9,080	1,102	4,978		1,500	1,500	Non-ward specific	New
Procurement & Infrastructure - Streets and Stormwater		Furniture & Safety equipment		C	Other Assets	Plant & equipment	1,230		750		240	240	Non-ward specific	New
Procurement & Infrastructure - Streets and Stormwater		Thembalethu UISP project		C	Infrastructure - Road transport	Roads, Pavements, Bridges & So	1,998		1,998				9-13	Renewal
Procurement & Infrastructure - Streets and Stormwater		Robots & Intersections		C	Infrastructure - Road transport	Roads, Pavements, Bridges & So	5,250		1,250		2,000	2,000	Non-ward specific	Renewal
Procurement & Infrastructure - Streets and Stormwater		Inter-Urban Terminus Project		C	Infrastructure - Other	Transportation	6,000			6,000			Non-ward specific	New
Procurement & Infrastructure - Streets and Stormwater		Courtney street medians		C	Infrastructure - Road transport	Roads, Pavements, Bridges & So	1,200				600	600	Non-ward specific	New
Procurement & Infrastructure - Streets and Stormwater		Housing projects: Golden valley, Protea park, Tamsui industria, Asazani, Wildemis		C	Infrastructure - Road transport	Roads, Pavements, Bridges & So	10,552				10,552		1,5,14,9-13	New
Procurement & Infrastructure - Streets and Stormwater		Speed calming methods		C	Infrastructure - Road transport	Roads, Pavements, Bridges & So	550				250	300	Non-ward specific	New

George Municipality – 2011/12 Annual Budget and MTREF

Municipal Vote/Capital project	Ref	Program/Project description	Project number	IDP Goal code 3.	Asset Class 4.	Asset Sub-Class 4.	Total Project Estimate	Prior year outcomes		2011/12 Medium Term Revenue & Expenditure Framework			Project information	
								Audited Outcome 2009/10	Current Year 2010/11 Full Year Forecast	Budget Year 2011/12	Budget Year +1 2012/13	Budget Year +2 2013/14	Ward location	New or renewal
R thousand	5													
Procurement & Infrastructure - Water		Erf 325 services - Low cost housing services		B	Infrastructure - Water	Reticulation	230	230					15	New
Procurement & Infrastructure - Water		George Western Water Supply Pipeline		B	Infrastructure - Water	Reticulation	38,846	3,901		14,946	20,000		Non-ward specific	New
Procurement & Infrastructure - Water		Water Tanks		B	Infrastructure - Water	Reservoirs & tanks	1,897	497	250	150	500	500	Non-ward specific	New
Procurement & Infrastructure - Water		Replace of asbestos pipes & meters		B	Infrastructure - Water	Reticulation	3,041	3,041					Non-ward specific	Renewal
Procurement & Infrastructure - Water		Upgr Water Networks		B	Infrastructure - Water	Reticulation	12,510	50	1,800	4,220	3,220	3,220	Non-ward specific	New
Procurement & Infrastructure - Water		Thembaletu UISP project		B	Infrastructure - Water	Reticulation	1,129		1,129				9-13	New
Procurement & Infrastructure - Water		Thembaletu Bulk Pipeline		B	Infrastructure - Water	Reticulation	22,290			4,000	10,215	8,075	9-13	New
Procurement & Infrastructure - Water		Generators & telemetry for pumpstations		B	Other Assets	Plant & equipment	3,900				3,450	450	Non-ward specific	New
Procurement & Infrastructure - Water		Wildemis Heights reticulation		B	Infrastructure - Water	Reticulation	600				300	300	4	New
Procurement & Infrastructure - Water		Housing projects: Golden valley, Protea park, Tamsui industria, Asazani, Wildemis		B	Infrastructure - Water	Reticulation	1,551				1,551		1,5,14,9-13	New
Procurement & Infrastructure - Water		Hansmoeskraal/Pacaltsdorp Main line		B	Infrastructure - Water	Reticulation	500					500	16	New
Procurement & Infrastructure - Water		Kraabosch water line		B	Infrastructure - Water	Reticulation	1,000					1,000	4	New
Procurement & Infrastructure - Water		Pacaltsdorp Bulk reticulation		B	Infrastructure - Water	Reticulation	2,000					2,000	14-15	New
Procurement & Infrastructure - Water		Malgas Pumping Scheme		B	Infrastructure - Water	Reticulation	35,040	11,340	23,700				Non-ward specific	New
Procurement & Infrastructure - Water		Raising Garden Route Dam wall		B	Infrastructure - Water	Reticulation	18,017	17	500	17,500			Non-ward specific	New
Procurement & Infrastructure - Water		Outeniqua Effluent Project		B	Infrastructure - Water	Reticulation	80,882	65,534	15,348				Non-ward specific	New
Procurement & Infrastructure - Water		Boreholes Pipeline		B	Infrastructure - Water	Reticulation	2,147	1,597	550				Non-ward specific	New
Procurement & Infrastructure - Water		Refurbishment of Waterworks		B	Infrastructure - Water	Reticulation	30,481	24,631	4,350		500	1,000	Non-ward specific	Renewal
Procurement & Infrastructure - Water		Upgrading of Pumpstation No.1		B	Infrastructure - Water	Reticulation	7,106	7,106					Non-ward specific	Renewal
Procurement & Infrastructure - Water		Upgrading of Pumpstation No.2		B	Infrastructure - Water	Reticulation	2,000		2,000				Non-ward specific	Renewal
Procurement & Infrastructure - Water		Upgr Wildemis Waste waterworks		B	Infrastructure - Water	Reticulation	7,550	4,050			500	3,000	4	Renewal
Procurement & Infrastructure - Water		WTW - 3 Reservoirs		B	Infrastructure - Water	Dams & Reservoirs	11,000				1,000	10,000	Non-ward specific	New
Procurement & Infrastructure - Water		Pacaltsdorp Reservoir		B	Infrastructure - Water	Dams & Reservoirs	300					300	15	Renewal
Procurement & Infrastructure - Water		Blanco Reservoir		B	Infrastructure - Water	Dams & Reservoirs	500					500	1	Renewal
Procurement & Infrastructure - Sanitation		Erf 325 services - Low cost housing services		A	Infrastructure - Sanitation	Reticulation	221	221					15	New
Procurement & Infrastructure - Sanitation		Upgr of Sewer network and replace santar pipes		A	Infrastructure - Sanitation	Reticulation	5,039	5,039					Non-ward specific	Renewal
Procurement & Infrastructure - Sanitation		Sewerage Reticulation - Pacaltsdorp		A	Infrastructure - Sanitation	Reticulation	20,182	5,182	4,369	10,631			14-15	New
Procurement & Infrastructure - Sanitation		Upgrading of Pumpstations and switchgear		A	Infrastructure - Sanitation	Reticulation	5,512	862		4,150	250	250	Non-ward specific	Renewal
Procurement & Infrastructure - Sanitation		Sewerage Reticulation - Wildemis		A	Infrastructure - Sanitation	Reticulation	9,380	9,380					4	New
Procurement & Infrastructure - Sanitation		Sewerage Network Rehabilitation		A	Infrastructure - Sanitation	Reticulation	12,175		1,650	4,150	3,175	3,200	Non-ward specific	Renewal
Procurement & Infrastructure - Sanitation		Thembaletu UISP project		A	Infrastructure - Sanitation	Reticulation	1,073		1,073				9-13	New
Procurement & Infrastructure - Sanitation		Generators & telemetry for pumpstations		A	Other Assets	Plant & equipment	6,700				3,350	3,350	Non-ward specific	New
Procurement & Infrastructure - Sanitation		Housing projects: Golden valley, Protea park, Tamsui industria, Asazani, Wildemis		A	Infrastructure - Sanitation	Reticulation	1,278				1,278		1,5,14,9-13	New
Procurement & Infrastructure - Sanitation		Sewerage Reticulation - Thembaletu		A	Infrastructure - Sanitation	Reticulation	17,500				10,000	7,500	9-13	New
Procurement & Infrastructure - Sanitation		Sewerage Reticulation - Kraabosch/Victoria Bay		A	Infrastructure - Sanitation	Reticulation	500					500	4	New
Procurement & Infrastructure - Sanitation		Sewerage Reticulation - Hansmoeskraal		A	Infrastructure - Sanitation	Reticulation	500					500	16	New
Procurement & Infrastructure - Sanitation		Upgr Gwaling WWTW		A	Infrastructure - Sanitation	Sewerage purification	11,284	284			1,000	10,000	Non-ward specific	Renewal
Procurement & Infrastructure - Sanitation		Upgr Outeniqua WWTW		A	Infrastructure - Sanitation	Sewerage purification	51,212	512	2,700	8,000	20,000	20,000	Non-ward specific	Renewal
Procurement & Infrastructure - Sanitation		Upgr Kleinkrantz WWTW		A	Infrastructure - Sanitation	Sewerage purification	15,500			1,000	12,500	2,000	4	Renewal
Procurement & Infrastructure - Sanitation		Upgr Unionsdale WWTW		A	Infrastructure - Sanitation	Sewerage purification	8,232			8,232				Renewal

George Municipality – 2011/12 Annual Budget and MTREF

Municipal Vote/Capital project	Ref	Program/Project description	Project number	IDP Goal code 3.	Asset Class 4.	Asset Sub-Class 4.	Total Project Estimate	Prior year outcomes		2011/12 Medium Term Revenue & Expenditure Framework			Project information	
								Audited Outcome 2009/10	Current Year 2010/11 Full Year Forecast	Budget Year 2011/12	Budget Year +1 2012/13	Budget Year +2 2013/14	Ward location	New or renewal
R thousand	5													
Procurement & Infrastructure - Refuse Removal		240l Wheely Bins		L	Other Assets	Plant & equipment	2,000		500	1,000		500	Non-ward specific	New
Procurement & Infrastructure - Refuse Removal		Waste Collection - Rural areas		L	Other Assets	Plant & equipment	500				500		Non-ward specific	New
Procurement & Infrastructure - Refuse Removal		Bulk refuse containers		L	Other Assets	Plant & equipment	200				200		Non-ward specific	New
Procurement & Infrastructure - Refuse Removal		Replace Refuse trucks		L	Other Assets	Specialised vehicles	2,000				1,000	1,000	Non-ward specific	Renewal
Procurement & Infrastructure - Refuse Removal		Upgr Public toilets		L	Community	Public conveniences/bathhouses	700				300	400	Non-ward specific	Renewal
Procurement & Infrastructure - Refuse Removal		New Landfill Site- Uniondale		L	Other Assets	Tip Sites	4,000				2,000	2,000		New
Procurement & Infrastructure - Refuse Removal		Rehabilitation of refuse site		L	Other Assets	Compacting Station	1,000				500	500	Non-ward specific	Renewal
Procurement & Infrastructure - Refuse Removal		Building of compost plant		L	Other Assets	Tip Sites	100				100		Non-ward specific	New
Procurement & Infrastructure - Refuse Removal		Transport containers		L	Other Assets	Plant & equipment	400				200	200	Non-ward specific	New
Procurement & Infrastructure - Refuse Removal		Extension of transfer station		L	Other Assets	Tip Sites	1,500				1,000	500	Non-ward specific	Renewal
<b>Sub-total: Procurement &amp; Infrastructure</b>							804,391	226,099	135,499	152,598	154,565	135,630		
Treasury		SAMRAS Plus software		P	Intangibles	Computer software	700		700				Non-ward specific	New
Treasury		Furniture		P	Other Assets	Furniture and fittings	530		50	280	200		Non-ward specific	New
<b>Sub-total: Treasury</b>							1,230	–	750	280	200	–		
<b>Total Capital expenditure</b>	1									162,912	171,685	159,365		
<b>Entities:</b> <i>List all capital projects grouped by Entity</i>														
<b>Entity A</b> Water project A														
<b>Entity B</b> Electricity project B														
<b>Total Capital expenditure</b>	2									162,912	171,685	159,365		

## 2.8.5 Supporting detail to Schedule A6 to the Budget Schedules

Table 47: Supporting detail to Budgeted Financial Performance

Description	Ref	2007/8	2008/9	2009/10	Current Year 2010/11				2011/12 Medium Term Revenue & Expenditure Framework		
		Audited Outcome	Audited Outcome	Audited Outcome	Original Budget	Adjusted Budget	Full Year Forecast	Pre-audit outcome	Budget Year 2011/12	Budget Year +1 2012/13	Budget Year +2 2013/14
<b>R thousand</b>											
<b>REVENUE ITEMS:</b>											
<b>Property rates</b>	6										
Total Property Rates		118,727	125,378	135,933	152,599	153,979	153,979	153,979	172,049	180,214	191,033
less Revenue Foregone		29,122	25,048	27,883	30,255	30,255	30,255	30,255	32,550	34,503	36,573
<b>Net Property Rates</b>		<b>89,606</b>	<b>100,329</b>	<b>108,050</b>	<b>122,344</b>	<b>123,724</b>	<b>123,724</b>	<b>123,724</b>	<b>139,499</b>	<b>145,711</b>	<b>154,460</b>
<b>Service charges - electricity revenue</b>	6										
Total Service charges - electricity revenue		183,021	212,534	267,034	336,526	328,526	328,526	328,526	398,479	472,397	566,360
less Revenue Foregone											
<b>Net Service charges - electricity revenue</b>		<b>183,021</b>	<b>212,534</b>	<b>267,034</b>	<b>336,526</b>	<b>328,526</b>	<b>328,526</b>	<b>328,526</b>	<b>398,479</b>	<b>472,397</b>	<b>566,360</b>
<b>Service charges - water revenue</b>	6										
Total Service charges - water revenue		61,229	62,936	72,430	82,415	85,415	85,415	85,415	95,316	98,667	101,327
less Revenue Foregone											
<b>Net Service charges - water revenue</b>		<b>61,229</b>	<b>62,936</b>	<b>72,430</b>	<b>82,415</b>	<b>85,415</b>	<b>85,415</b>	<b>85,415</b>	<b>95,316</b>	<b>98,667</b>	<b>101,327</b>
<b>Service charges - sanitation revenue</b>	6										
Total Service charges - sanitation revenue		41,245	44,889	51,395	55,964	57,464	57,464	57,464	62,118	65,088	68,455
less Revenue Foregone											
<b>Net Service charges - sanitation revenue</b>		<b>41,245</b>	<b>44,889</b>	<b>51,395</b>	<b>55,964</b>	<b>57,464</b>	<b>57,464</b>	<b>57,464</b>	<b>62,118</b>	<b>65,088</b>	<b>68,455</b>
<b>Service charges - refuse revenue</b>	6										
Total refuse removal revenue		28,110	33,334	38,464	45,440	45,440	45,440	45,440	48,472	51,211	53,995
Total landfill revenue											
less Revenue Foregone											
<b>Net Service charges - refuse revenue</b>		<b>28,110</b>	<b>33,334</b>	<b>38,464</b>	<b>45,440</b>	<b>45,440</b>	<b>45,440</b>	<b>45,440</b>	<b>48,472</b>	<b>51,211</b>	<b>53,995</b>
<b>Other Revenue by source</b>											
Fuel levy											
Other revenue	3	39,724	54,007	35,584	17,957	17,748	17,748	17,748	13,198	12,632	12,855
<b>Total 'Other' Revenue</b>	1	<b>39,724</b>	<b>54,007</b>	<b>35,584</b>	<b>17,957</b>	<b>17,748</b>	<b>17,748</b>	<b>17,748</b>	<b>13,198</b>	<b>12,632</b>	<b>12,855</b>
<b>EXPENDITURE ITEMS:</b>											
<b>Employee related costs</b>											
Salaries and Wages	2	76,422	95,777	109,418	120,316	119,850	119,850	119,850	136,365	145,553	155,746
Contributions to UIF, pensions, medical aid		23,610	26,121	29,199	34,553	34,553	34,553	34,553	40,965	43,834	46,904
Travel, motor car, accom; & other allowances		92,628	40,487	54,917	37,205	39,921	39,921	39,921	41,517	39,816	42,496
Housing benefits and allowances		1,350	1,641	1,426	1,195	1,195	1,195	1,195	1,125	1,204	1,288
Overtime		10,009	13,212	11,425	7,247	10,178	10,178	10,178	8,578	8,826	9,582
Performance bonus		845	900	943	1,322	1,225	1,225	1,225	1,040	1,113	1,191
Long service awards		699	1,029	810	775	782	782	782	1,060	40	45
Payments in lieu of leave		-	-	-	25	25	25	25	28	30	-
Post-retirement benefit obligations	4										
<b>sub-total</b>	5	<b>205,562</b>	<b>179,166</b>	<b>208,137</b>	<b>202,638</b>	<b>207,729</b>	<b>207,729</b>	<b>207,729</b>	<b>230,677</b>	<b>240,416</b>	<b>257,252</b>
Less: Employees costs capitalised to PPE											
<b>Total Employee related costs</b>	1	<b>205,562</b>	<b>179,166</b>	<b>208,137</b>	<b>202,638</b>	<b>207,729</b>	<b>207,729</b>	<b>207,729</b>	<b>230,677</b>	<b>240,416</b>	<b>257,252</b>
<b>Contributions recognised - capital</b>											
List contributions by contract											
<b>Total Contributions recognised - capital</b>		-	-	-	-	-	-	-	-	-	-
<b>Depreciation &amp; asset impairment</b>											
Depreciation of Property, Plant & Equipment		40,367	60,791	79,913	88,048	92,385	92,385	92,385	92,452	84,187	78,667
Lease amortisation											
Capital asset impairment											
<b>Total Depreciation &amp; asset impairment</b>	1	<b>40,367</b>	<b>60,791</b>	<b>79,913</b>	<b>88,048</b>	<b>92,385</b>	<b>92,385</b>	<b>92,385</b>	<b>92,452</b>	<b>84,187</b>	<b>78,667</b>
<b>Bulk purchases</b>											
Electricity Bulk Purchases		88,881	119,763	151,841	192,000	192,030	192,030	192,030	249,284	309,925	393,600
Water Bulk Purchases											
<b>Total bulk purchases</b>	1	<b>88,881</b>	<b>119,763</b>	<b>151,841</b>	<b>192,000</b>	<b>192,030</b>	<b>192,030</b>	<b>192,030</b>	<b>249,284</b>	<b>309,925</b>	<b>393,600</b>
<b>Contracted services</b>											
List services provided by contract											
<b>Total contracted services</b>		<b>32,325</b>	<b>45,227</b>	<b>34,039</b>	<b>67,481</b>	<b>118,169</b>	<b>118,169</b>	<b>118,169</b>	<b>80,719</b>	<b>50,598</b>	<b>63,779</b>
<b>Other Expenditure By Type</b>											
Collection costs		4,375	4,319	5,602	5,000	5,500	5,500	5,500	5,500	5,800	6,500
Contributions to 'other' provisions		-	-	-	500	500	500	500	500	500	500
Consultant fees		637	1,818	1,606	1,605	2,654	2,654	2,654	1,564	1,194	1,268
Audit fees		1,061	2,699	2,582	2,400	2,600	2,600	2,600	2,600	2,900	3,000
General expenses	3	138,868	147,710	149,701	155,387	151,319	151,319	151,319	152,879	146,046	161,451
<b>Total 'Other' Expenditure</b>	1	<b>144,941</b>	<b>156,545</b>	<b>159,491</b>	<b>164,892</b>	<b>162,573</b>	<b>162,573</b>	<b>162,573</b>	<b>163,043</b>	<b>156,440</b>	<b>172,719</b>

## 2.8.6 Supporting detail to Schedule A4 to the Budget Schedules

Table 48: Supporting detail to Budgeted Financial Position

Description	Ref	2007/8	2008/9	2009/10	Current Year 2010/11				2011/12 Medium Term Revenue & Expenditure Framework		
		Audited Outcome	Audited Outcome	Audited Outcome	Original Budget	Adjusted Budget	Full Year Forecast	Pre-audit outcome	Budget Year 2011/12	Budget Year +1 2012/13	Budget Year +2 2013/14
R thousand											
ASSETS											
Call investment deposits											
Call deposits < 90 days		33,463	37,938	140,888	79,929	221,674	196,205	196,205	149,290	124,876	91,859
Other current investments > 90 days		242,682	154,932	4,932	6,266	6,266	6,266	6,266	6,681	7,016	7,226
Total Call investment deposits	2	276,145	192,871	145,821	86,195	227,940	202,471	202,471	155,971	131,891	99,085
Consumer debtors											
Consumer debtors		80,716	84,111	104,119	92,000	92,000	92,000	92,000	97,184	97,184	97,184
Less: Provision for debt impairment		(32,285)	(23,717)	(26,935)	(23,000)	(23,000)	(23,000)	(23,000)	(20,000)	(20,000)	(20,000)
Total Consumer debtors	2	48,432	60,395	77,184	69,000	69,000	69,000	69,000	77,184	77,184	77,184
Debt impairment provision											
Balance at the beginning of the year		47,414	32,285	23,717	26,935	26,935	26,935	26,935	23,000	20,000	20,000
Contributions to the provision		2,668	1,200	10,082	5,000	5,000	5,000	5,000	11,476	10,300	10,500
Bad debts written off		(17,797)	(9,767)	(6,863)	(8,935)	(8,935)	(8,935)	(8,935)	(14,476)	(10,300)	(10,500)
Balance at end of year		32,285	23,717	26,935	23,000	23,000	23,000	23,000	20,000	20,000	20,000
Property, plant and equipment (PPE)											
PPE at cost/valuation (excl. finance leases)		1,691,298	2,062,456	2,301,732	2,398,453	2,452,249	2,452,249	2,452,249	2,616,492	2,791,737	2,965,527
Leases recognised as PPE	3	695	695	695	695	695	695	695	-	-	-
Less: Accumulated depreciation		271,499	329,326	407,600	420,132	420,132	420,132	420,132	512,517	602,004	706,809
Total Property, plant and equipment (PPE)	2	1,420,494	1,733,825	1,894,827	1,979,017	2,032,812	2,032,812	2,032,812	2,103,975	2,189,733	2,258,718
LIABILITIES											
Current liabilities - Borrowing											
Short term loans (other than bank overdraft)		-	-	-	-	-	-	-	-	-	-
Current portion of long-term liabilities		14,501	20,362	26,064	28,362	26,832	26,832	26,832	30,819	34,688	38,619
Total Current liabilities - Borrowing		14,501	20,362	26,064	28,362	26,832	26,832	26,832	30,819	34,688	38,619
Trade and other payables											
Trade and other creditors		51,479	64,152	77,677	74,894	74,894	74,894	74,894	59,667	85,667	87,555
Unspent conditional transfers		28,880	18,660	13,412	8,660	13,282	13,282	13,282	282	282	282
VAT		-	1,607	6,575	-	-	-	-	-	-	-
Total Trade and other payables	2	80,359	84,419	97,663	83,554	88,175	88,175	88,175	59,949	85,949	87,836
Non current liabilities - Borrowing											
Borrowing	4	303,998	389,968	487,384	635,925	525,552	525,552	525,552	534,734	530,864	536,115
Finance leases (including PPP asset element)		-	4	-	-	-	-	-	-	-	-
Total Non current liabilities - Borrowing		303,998	389,972	487,384	635,925	525,552	525,552	525,552	534,734	530,864	536,115
Provisions - non-current											
Retirement benefits		62,432	63,706	75,962	72,047	72,047	72,047	72,047	82,838	87,974	93,668
List other major provision items		-	-	-	-	-	-	-	-	-	-
Refuse landfill site rehabilitation		-	-	-	-	-	-	-	-	-	-
Other		195,779	-	-	349,908	-	-	-	-	-	-
Total Provisions - non-current		258,211	63,706	75,962	421,955	72,047	72,047	72,047	82,838	87,974	93,668
CHANGES IN NET ASSETS											
Accumulated Surplus/(Deficit)											
Accumulated Surplus/(Deficit) - opening balance		276,571	1,227,263	1,358,541	1,197,229	1,291,138	1,291,138	1,291,138	1,280,546	1,256,470	1,223,667
GRAP adjustments		-	129,137	-	-	-	-	-	-	-	-
Restated balance		276,571	1,356,400	1,358,541	1,197,229	1,291,138	1,291,138	1,291,138	1,280,546	1,256,470	1,223,667
Surplus/(Deficit)		(21,533)	(7,476)	9,088	33,684	35,904	35,904	35,904	23,291	51,032	43,272
Appropriations to Reserves		(4,816)	(4,280)	(1,864)	-	-	-	-	-	-	-
Transfers from Reserves		(45,253)	(61,541)	-	-	-	-	-	-	-	-
Depreciation offsets		9,948	12,771	-	-	-	-	-	-	-	-
Other adjustments		1,012,346	62,668	(74,627)	(10,959)	25,469	-	-	-	-	-
Accumulated Surplus/(Deficit)	1	1,227,263	1,358,541	1,291,138	1,219,955	1,352,512	1,327,043	1,327,043	1,303,837	1,307,502	1,266,940
Reserves											
Housing Development Fund		66,404	70,685	72,549	78,947	78,947	78,947	78,947	81,511	85,131	92,585
Capital replacement		34,669	6,830	7,976	-	10,600	10,600	10,600	13,481	14,080	15,312
Capitalisation		85,702	72,931	64,655	-	79,077	79,077	79,077	89,652	93,634	101,832
Government grant		-	252,467	331,416	-	384,258	384,258	384,258	416,206	434,691	472,752
Donations and public contributions		-	3,974	6,786	-	8,199	8,199	8,199	6,881	7,186	7,815
Self-insurance		-	-	-	-	-	-	-	-	-	-
Other reserves (list)		-	-	-	-	-	-	-	-	-	-
Revaluation		-	-	-	-	-	-	-	-	-	-
Total Reserves	2	186,776	406,886	483,381	78,947	561,080	561,080	561,080	607,730	634,721	690,297
TOTAL COMMUNITY WEALTH/EQUITY	2	1,414,039	1,765,427	1,774,520	1,298,901	1,913,592	1,888,123	1,888,123	1,911,567	1,942,223	1,957,237

## 2.9 Municipal Manager's Quality Certificate

I, ....., The Acting Municipal Manager of George Municipality hereby certify that the annual budget and supporting documentation for the 2011/2012 Financial Year, have been prepared in accordance with the Municipal Finance Management Act and regulations made under the Act, and that the draft budget and supporting documentation are consistent with the Integrated Development Plan.

Print Name .....

Municipal Manager of .....

Signature .....

Date .....